

The motion was agreed to; and (at 6 o'clock and 10 minutes p.m.), in accordance with the previous order, the Senate adjourned until Thursday, January 25, 1962, at 12 o'clock meridian.

### NOMINATIONS

Executive nominations received by the Senate January 23, 1961:

#### UNITED NATIONS

The following-named persons to be representatives of the United States of America to the 16th session of the General Assembly of the United Nations:

Adlai E. Stevenson, of Illinois.  
Francis T. P. Plimpton, of New York.  
Charles W. Yost, of New York.  
Philip M. Klutznick, of Illinois.  
Jonathan B. Bingham, of New York.

#### U.S. DISTRICT JUDGE

J. Robert Elliott, of Georgia, to be U.S. district judge for the middle district of Georgia, vice T. Hoyt Davis, retired.

#### U.S. ATTORNEY

Almeric L. Christian, of the Virgin Islands, to be U.S. attorney for the Virgin Islands for the term of 4 years, vice Leon P. Miller.

#### U.S. MARSHALS

Harry D. Mansfield, of Tennessee, to be U.S. marshal for the eastern district of Tennessee for the term of 4 years, vice Frank Quarles, deceased.

Daniel T. Donovan, of Washington, to be U.S. marshal for the eastern district of Washington for the term of 4 years, vice Darrel O. Holmes, term expired.

The following-named persons to the position indicated for the term of 4 years. They were appointed during the last recess of the Senate.

Joseph T. Ploszaj, of Connecticut, to be U.S. marshal for the district of Connecticut.

Tully Reynolds, of Texas, to be U.S. marshal for the eastern district of Texas.

## HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 23, 1962

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

John 10: 10: *I am come that they might have life, and that they might have it more abundantly.*

Most merciful and gracious God, in the plan and work of this day, may we be inspired to give democracy that larger expansion for service and human good which is inherent in the very principles which it professes and proclaims.

May our Nation never be guilty of stifling and stultifying the potential and creative abilities of any segment of society but seek to open the gates of opportunity more widely to all.

We pray that there may be confidence and cooperation among the executive, the legislative, and judiciary branches of our Government in the high vocation of statecraft and in our longings and labors to give to all the members of the human family the blessings of the more abundant life.

Hear us in Christ's name. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

### A NATIONAL LOTTERY

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, in spite of all the partisan claims that the President's proposed budget of \$92.5 billion is a sound and constructive budget, the fact remains that the American taxpayers are an unhappy lot.

Nowhere in this peacetime budget—the biggest and highest in the history of this country—is there a scintilla of hope offered for a tax cut or a reduction of our ever-mounting national debt.

This, Mr. Speaker, is indeed a sad day for every American wage earner.

It should be apparent by this time that, despite the tremendous prosperity we enjoy, all hope for tax relief or reduction of our debt is gone.

Yes, Mr. Speaker, all hope is gone unless we have the intestinal fortitude to provide the legislative means of raising painless and voluntary revenue for this purpose.

For 10 years, I have repeatedly urged the Congress to give serious and favorable consideration to a national lottery as the only means of bringing relief to our heavily burdened taxpayers. A national lottery in the United States would provide \$10 billion a year in additional income which can be used to reduce our gigantic debt and cut our high taxes.

Mr. Speaker, is it not time that we give a little consideration to Mr. and Mrs. American Taxpayer?

### YEAR OF THE GREAT DEBATE OVER WORLD TRADE

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, we have been told over and over again that this is the year of the great debate over world trade; that it is vital for Congress to make the right decision; that every voice of responsible leadership in the Nation ought to be raised in responsible debate, over America's position as a leader in world trade.

Listening to the 6 o'clock news over the radio last Friday night, I was astounded to hear what purported to be a reproduction of the voice of our President, saying that if our exports were to rise by 10 percent, and our imports maintain their present level, our balance of payments problem would be solved. This is, strictly speaking, true, as a matter of theory—but it is masterfully misleading in fact, because in fact our imports cannot possibly be held to their present level—they must rise—in order to finance an expansion of exports.

The reason why the statement was made is clear: To draw the listener's

attention away from the impact of the import problem, so as to avoid facing the tough consequences of lower tariffs, and to glamorize the possible pleasant consequences.

For the President to have done this, to say the least, counterproductive of America's chance to make the right decision in this, our great debate of 1962.

### CALL OF THE HOUSE

Mr. BASS of Tennessee. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 4]

|                |               |             |
|----------------|---------------|-------------|
| Blitch         | Hosmer        | Rousselot   |
| Boykin         | Lipscomb      | St. George  |
| Cannon         | McCulloch     | St. Germain |
| Celler         | McSweeney     | Scott       |
| Chilperfield   | Macdonald     | Selden      |
| Coad           | Martin, Mass. | Shelley     |
| Cooley         | Mason         | Sheppard    |
| Curtis, Mo.    | Meador        | Smith, Va.  |
| Davis, Tenn.   | Merrow        | Tupper      |
| Finnegan       | Miller, N.Y.  | Ullman      |
| Fogarty        | Morrison      | Van Pelt    |
| Green, Oreg.   | Norrell       | Winstead    |
| Harvey, Ind.   | Rhodes, Ariz. |             |
| Hoffman, Mich. | Rostenkowski  |             |

The SPEAKER. On this rollcall 390 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

### POSTAGE REVISION ACT, 1962

Mr. MURRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7927) to adjust postal rates, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7927, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MURRAY. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, it is clear that H.R. 7927, the postal rate bill reported last year by the Post Office and Civil Service Committee and now before us, is completely unacceptable to the membership of the House. It is a drastically watered-down version of the original Henderson bill and was reported hastily in the rather remote hope of passing at least some kind of rate bill before the end of the first session. The large vote by which the House rejected the closed rule on this bill last September merely emphasizes the weakness and inadequacy of the bill.

That bill not only fails by a wide margin to meet the need for adequate postal financing but—and this is of vital concern—if the serious deficiencies in

the bill are not corrected it will have such an extremely adverse effect on the entire national budget as to endanger progress in critical defense and other major Government programs.

Accordingly, at the proper time following general debate, I will offer an amendment to strike all after the enacting clause of H.R. 7927 and substitute provisions for fair, realistic, and adequate postal rate adjustments and a firm public service policy—in short, a bill of the kind which must be approved if we are to meet the issue of fiscal responsibility and wipe out the tremendous postal deficit that now burdens the taxpayers. The rate adjustments, when all are placed in effect, will yield \$621 million added postal revenue a year—the minimum required for a balanced postal budget. The new rates, together with the improved public service policy, will provide a postal rate structure based on fair and reasonable distribution of postage rates and fees to all classes of users of the mails covered by the bill, taking into consideration the value of the services they receive and the costs incurred in the rendering of such services.

The additional revenue provided by my amendment is a keystone of the President's program for a balanced budget for the fiscal year 1963 and he personally assigned it top priority among all new revenue measures when he said, in his state of the Union message:

I am submitting for fiscal 1963 a balanced Federal budget.

This is a joint responsibility, requiring congressional cooperation on appropriations, and on three sources of income in particular: (1) First, an increase in postal rates, to end the postal deficit.

The President in his budget message reaffirmed the necessity for the additional postal revenue provided by my amendment in these words:

In line with the congressional policy that the users of the postal service shall pay the full cost of all other services, legislation is again being recommended to increase postal rates enough to cover such costs. \* \* \*

Budget expenditures for commerce and transportation programs are estimated to decline from \$2.9 billion in 1962 to \$2.5 billion in 1963. This decline reflects mainly a drop of \$592 million for the postal service, based on my legislative proposal to increase postal rates to a level that will cover the costs of postal operations, except for those services properly charged to the general taxpayer.

Mr. Chairman, that is the fifth time in the last 8 months that President Kennedy has called for additional revenue to reduce the postal deficit. In his special message to the Congress on May 25, 1961, he said:

Finally, our greatest asset in this struggle is the American people—their willingness to pay the price for these programs \* \* \* to pay higher postal rates.

In a press conference on July 20, 1961, he said:

I will suggest, however, while we're on it, that both the previous administration and this administration recommended nearly \$840 million of tax increase in postal payment.

This is a matter which \* \* \* I'm hopeful the Congress will deal with.

In his radio-TV state of the Union speech addressing on the Berlin crisis 5 days later he said:

The luxury of our current post office deficit must be ended.

During my entire period of service on the Post Office and Civil Service Committee since it was created, and before that on the old Post Office and Post Roads Committee, more of my personal time and attention has been devoted to strengthening the financial operations of the Post Office Department than to any other endeavor. The postal deficit has developed entirely in the period since World War II. Each year since 1947 has seen postal deficits ranging from \$200 million to nearly \$900 million, and the total of these deficits now has passed \$8 billion—an astronomical figure when we consider it has to be financed by the taxpayers, rather than by the users of the mails.

From 1900 to 1940 the Postal Establishment operated in the black, if we exclude the former airline subsidy and costs of mail handled for other Government agencies, and there was even a modest surplus during the World War II years. This favorable balance has been sharply reversed in the last 15 years by spiraling costs for salaries, transportation, equipment, and supplies—while postal rate adjustments have lagged far behind.

We faced the same condition in the 86th Congress, when the former Postmaster General recommended rate increases well above those in my amendment today and I sponsored a bill for the purpose. The bill was not even reported, and the deficit problem was turned over unresolved to the new administration on January 20, 1961. Shortly thereafter I introduced H.R. 6418, based on the official recommendation of our present Postmaster General, to increase postal revenues by \$741 million annually and eliminate the postal deficit.

The amendment I offer today was developed after careful review of our committee deliberations throughout most of the first session and in cooperation with the White House and the Post Office Department. The President also has consulted me in this connection and strongly supports my amendment. The amendment is a fair and reasonable compromise which gives full consideration to the sharply divergent views on postal rates and is identical in substance to H.R. 7927 when it was introduced by my colleague on the committee, the gentleman from North Carolina [Mr. HENDERSON], on June 29, 1961—before it was watered down to its reported form in September 1961. The Henderson bill was thoroughly considered by our committee in a number of executive sessions and failed of approval by only one vote—primarily because of an assertion which apparently convinced a number of Members that the other body would not take up the bill if it were to be reported and passed by the House.

The situation has undergone a marked change—and a considerable improvement—in that respect during the recess period, and the chairman of the Senate

Post Office and Civil Service Committee has announced that he will schedule prompt action on H.R. 7927 as soon as it passes the House. He has been fully advised as to the provisions of my amendment and I am confident agrees with me that the amendment will receive overwhelming approval.

The postal rate hearings and executive sessions conducted by our committee last year are the most comprehensive, informative, and productive ever held on the complex and difficult problem of postal rates. The hearings began April 25 and ended June 7, and were followed by no less than 11 separate executive sessions extending up to September 6—the most ever held on postal rates.

The Postmaster General has submitted an official report dated January 16, 1962, urging approval of my amendment today, and the President has again given assurance of his strong support for the amendment. The Postmaster General's report summarizes the value of my amendment and the necessity for its adoption in these words:

Enactment of the proposed [Murray] amendment to H.R. 7927 would be an important milestone in the history of postal finances. It would carry out the spirit as well as the substance of the Postal Policy Act by providing a fair apportionment of postal costs between taxpayers and users of the mail. In addition, costs ascribed to mail users would be assessed equitably among all mail classes. The proposed rate increases give due consideration to the value of service furnished to each mail class. Also, they recognize and provide fair reimbursement to the postal service for recent cost increases.

In order that the membership might be informed in advance with respect to my amendment, a committee print including the amendment, explanatory material, and the Postmaster General's favorable report was sent last Thursday to each Member of the House with a personal letter from me. I believe that additional copies of the print are available here on the floor today, if needed.

The amendment which I will offer is identical to that in the committee print, except that it incorporates the provisions of section 11 of the committee bill, under the heading "Communist Political Propaganda," beginning at line 6 on page 15 of the committee bill. This section, which is now included in my amendment as well as the committee bill, has the effect of preventing the receipt, handling, transportation, or delivery by the U.S. postal service of any mail matter determined by the Attorney General to be Communist political propaganda. It also provides that no postal rate established by my amendment should be available for the receipt, handling, and transportation, or delivery of mail matter found by the Attorney General to be Communist political propaganda financed or sponsored directly or indirectly by any Communist-controlled government.

Apart from the very desirable addition of the section on Communist political propaganda, my amendment makes changes in the committee bill which fall in two general categories.

First, the postal policy provisions of existing law are strengthened and im-



proved. Second, rate increases are provided at levels which, with the new policy, will wipe out the postal deficit and provide the full amount of the additional postal revenues which are required under the President's budget submitted to the Congress last Thursday.

The postal policy provisions of my amendment correct certain deficiencies in existing law and establish a firm and proper formula for the determination each year of the costs of postal services which are truly public services and, as such, should be charged to the general fund of the Treasury under well-established principles of public policy and the national interest. Examples of such public services are free mail for the blind, free-in-county mail, and mailings at reduced rates by qualified nonprofit organizations. Applying this formula, an estimated \$247 million of postal costs for these public services will be borne by the general fund of the Treasury for the fiscal year 1963. This is about \$95 million less than the \$341 million public service charged to the taxpayers under the reported bill, which improperly designates as "public services" such historically sound, efficient, and necessary postal activities as rural routes and third- and fourth-class post offices, the cost of which it would have shifted to the taxpayers with no charge to users of the mails. The public service provisions of the reported bill thus would burden the taxpayers with a highly inflated portion of postal costs while excusing users of the mails from paying their full share.

While the public service allowance under my amendment is considerably higher than that provided by the bill I introduced last year, based on my comprehensive review of the record and after consultation with the Postmaster General and other representatives of the President I have concluded that it represents the best possible compromise of many strongly conflicting views which can be worked out. With this policy my amendment then proceeds to fix postal rates at the level required to wipe out the postal deficit and to provide the added postal revenue requested by the President in order that we may have a balanced national budget in the fiscal year 1963. I earnestly believe that this public service formula, arrived at through extensive and cooperative effort of the parties concerned, is distinctly in the public interest since it will settle the problem of public service charges in the future—a problem which, more than anything else, has delayed and defeated badly needed postal rate adjustments throughout recent years.

The rates in my amendment for first-class letter mail and airmail letters, as well as post cards and postal cards, are the same as those in the reported bill. Approval of these rates is imperative in order to provide the necessary measure of additional postal revenues. The first-class postage stamp at 5 cents will still be the best bargain in America. These rates are fully justified by priority of service and the absolute privacy guaranteed for a sealed first-class letter, as well as the fact that the postal service exists primarily to render the preferred

first-class mail service to 181 million Americans.

The first-class letter increase from 4 to 5 cents is only a 25-percent increase, and the airmail letter increase from 7 to 8 cents is only a little over 14 percent. The first-class letter rate remained at 3 cents from 1932 until 1958, when it was changed to 4 cents—a 33 1/3-percent increase. The legislation before us adds another 25 percent, or a total increase of only 58 percent since 1932—a very moderate increase, in comparison to the heavy increases imposed on second- and third-class mail.

Second-class, or publishers', rates for mailing commercial publications beyond county were increased by 30 percent in 1951 and again by 54 percent under the Postal Rate Increase Act of 1958—a total of 84 percent to which my amendment will add another 55 percent when both of the step increases are in effect.

The most important postage rate on third-class matter—the minimum charge per piece on bulk mailings of advertising circulars and so forth—already has been raised 150 percent since 1951, and when the adjustments in my amendment become effective will have been increased 170 percent during this period.

My amendment, therefore, will overcome the chief objection—and, in my judgment, a fully justified objection—to the reported bill during the debate on the rule last September 15. The watered-down version reported hastily in the closing days of the first session placed almost the entire burden of postal rate increases on users of first-class mail, with comparatively minor upward adjustments in second- and third-class rates. That unsatisfactory rate structure was coupled with an inflated public service provision that would have charged off to the taxpayers an arbitrary and excessive minimum of 7 1/2 percent of the total postal budget for each year in the future. My amendment will correct these serious deficiencies. As pointed out in the Postmaster General's official report, under my amendment there will be a "fair apportionment of postal costs between taxpayers and users of the mail" and "costs ascribed to mail users will be assessed equitably among all mail classes."

The new rates will become effective July 1, 1962, except that the fixed charge per piece on second-class mail will be made in two steps; one-half cent will be effective July 1, 1962, and be increased to 1 cent a year later, on July 1, 1963.

My amendment makes no change on second-class mailings within county or on mail for the blind. It also continues the present rates on educational materials, on classroom publications, and on mailings of qualified nonprofit organizations.

Mr. Chairman, as I stated earlier, I shall propose an amendment to the committee bill at the proper time in the nature of a substitute, which I strongly urge the Members to support.

Mr. Chairman, under unanimous consent I insert following my remarks the full text of the letter from Postmaster General J. Edward Day to me dated January 16, 1962, which outlines in de-

tail the administration's support of the amendment which I shall propose:

OFFICE OF THE POSTMASTER GENERAL,  
Washington, D.C., January 16, 1962.

Hon. TOM MURRAY,  
Chairman, Committee on Post Office and Civil Service, House of Representatives,  
Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for views on your proposed amendment to H.R. 7927.

The Post Office Department is pleased to endorse the proposed amendment. We urge its adoption for it would insure full compliance with the break-even directive of the Postal Policy Act (now 39 U.S.C. 2302(c) (4)).

Enactment of the proposed amendment to H.R. 7927 would be an important milestone in the history of postal finances. It would carry out the spirit as well as the substance of the Postal Policy Act by providing a fair apportionment of postal costs between taxpayers and users of the mail. In addition, costs ascribed to mail users would be assessed equitably among all mail classes. The proposed rate increases give due consideration to the value of service furnished to each mail class. Also, they recognize and provide fair reimbursement to the postal service for recent cost increases.

The subject bill, as reflected in the proposed amendment, would modify the Postal Policy Act (now 39 U.S.C. 2303) as follows:

(a) It deletes from the present list of public services the "loss resulting from the operation of such prime and necessary public services as the star route system and third- and fourth-class post offices." (39 U.S.C. 2303(a) (2).)

(b) For the enumerated public services, "loss" or "total loss" would be clearly defined as the excess of their allocated costs over revenues.

(c) By February 1 of each fiscal year, the Postmaster General would be required to estimate the public service losses for that year and the corresponding amount would then be deducted from the total costs of the Department for purposes of adjusting postal rates and fees.

The Department endorses these changes for the following major reasons:

(a) They would facilitate compliance with the Postal Policy Act (39 U.S.C. 2302(c) (4)) by recognizing total losses on public services before balancing costs and revenues. In the past 3 years, the fulfillment of the financial objectives of the Postal Policy Act has been hampered because of differences in the Congress concerning the amounts to be appropriated for public services. The subject bill corrects the underlying cause by clarifying the guidelines for computing the public service allowance.

(b) The precise amounts to be ascribed to public services would be determined routinely as a byproduct of Post Office cost ascertainment. The Postmaster General's report of February 1 each year would furnish the detailed record of public service costs necessary for an understanding of their nature and magnitude and for adjustment of the subsidies involved if the Congress determines adjustment is desirable in the public interest.

(c) Deletion of "losses" on star routes and small post offices would remove an objectionable feature from the present enumeration of public services. Star routes and small post offices are integral parts of a nationwide communications and transportation complex. Without these facilities the postal service could not fulfill its recognized responsibility, as stated in the Postal Policy Act, to "unite more closely the American people, to promote the general welfare, and to advance the national economy."

Retention of star routes and small post offices in 39 U.S.C. 2303(a) would result in a

partial double accounting of public service allowances under the proposed language defining these losses. Significant portions of the cost of star routes and small post offices have been allocated to the costs of handling free and reduced-rate mail and to special services such as money orders and c.o.d.'s. The losses from these mails and services are already stipulated as public service credits under 39 U.S.C. 2303(a). To count these costs again in determining the loss on star routes and small post offices represents an unjustifiable charge against the Treasury for public service credits.

Adoption of the more liberal public service provisions of the subject legislation would serve to reduce the amount of additional revenue from higher postal rates that otherwise would be needed to comply with the Postal Policy Act.

Under the provisions of the subject amendment, we estimate public service costs in fiscal 1963 would be \$248 million, in contrast with \$74 million if the appropriations policy of the past 3 years continues. When fully effective, rate increases under the subject bill would yield \$621 million at an annual rate, based on estimated mail volume for fiscal 1963. Adjustment of rates and conditions of mailability proposed by the Department for fourth-class mail would bring an additional net gain of \$85 million annually. This adjustment is subject to the consent of the Interstate Commerce Commission.

The proposed public service allowances and rate revisions will enable the postal service to cover its costs in fiscal year 1963.

In consonance with 39 U.S.C. 2302(c) (2), the subject amendment to H.R. 7927 provides first-class postage rates which are fair and reasonable based on the value received by mail users. First-class mail is the premium service of the Post Office Department, and the guidelines prescribed by the Postal Policy Act call for above-cost rates to cover the value of preferential service. Since 1959, the margin of revenues in excess of costs has narrowed steadily to the point where it is now nonexistent.

Because first-class mail is the Department's prime service, it has traditionally paid a premium rate substantially above its allocated costs. In the years prior to World War II, revenues averaged about 140 percent of cost. That revenue-cost relationship foreshadowed the present provisions of the 1958 Postal Policy Act which directs that postage for first-class mail should be sufficient to cover allocated expenses plus "an additional amount representing the fair value of all extraordinary and preferential services, facilities, and factors relating thereto."

The proposed 1-cent increase in first-class mail is necessary to enable lagging rates to catch up with cost increases. Since 1932, when a 3-cent letter rate was first approved, the Consumer Price Index has risen 118 percent and the cost of handling a first-class letter has increased 130 percent. But letter rates have gone up only 33 percent. A 5-cent rate would bring the total increases since 1932 to 67 percent.

In second- and third-class mail, the subject amendment proposes higher postage to adjust for cost increases which have arisen since rates were last modified in 1958. These further rate adjustments, together with the proposed modifications for computing public services, would result in substantially higher coverage of costs in both classes of mail.

After reflecting public service allowances, the Department's revenues would be roughly 50 percent of cost in second class and 85 percent in third class. The relatively low-cost coverage for second class, though substantially higher than in the past, is consistent with the established congressional policy of below-cost rates for newspapers and periodicals. From the very beginning of the U.S. Postal System, low postage rates for these media have reflected the belief of Con-

gress that wide distribution of reading matter should be encouraged for the public good.

Rates for commercial-type mailings in second class (newspapers and magazines) would go up 1 cent per copy—an average increase of 55 percent. When fully effective, the increase would yield about \$53 million in new revenues. There would be no increase in rates for hometown papers delivered within their counties of publication. Similarly, there would be no increases on publications for classroom use or publications of nonprofit organizations.

In third class, the minimum rate for circulars and other bulk mailings would rise from 2½ cents to 3 cents. There would be no rate increases for nonprofit organizations. In all, third class would yield \$93 million of new postal revenues.

This Department approves enactment of the proposed amendment to H.R. 7927. We have been advised by the Bureau of the Budget that enactment of H.R. 7927, with the proposed amendment, would be in accord with the program of the President.

Sincerely yours,

J. EDWARD DAY,  
Postmaster General.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, may I ask the gentleman this question: Does the gentleman's amendment have the effect of retaining the committee amendment under the heading "Communist Political Propaganda" beginning at line 6, page 15, and ending with the line immediately following line 5 on page 16 of the reported bill?

Mr. MURRAY. Unquestionably it does.

Mr. ALBERT. I thank the gentleman.

Mr. MURRAY. Mr. Chairman, I think this is a very fair bill. I do not think it will put anybody out of business. Something must be done to eliminate this gigantic deficit in the Post Office Department. I trust the Members will vote for the legislation.

Mr. CORBETT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am going to support the substitute amendment to be offered by the gentleman from Tennessee [Mr. MURRAY]. I do this with great reluctance. The situation as it confronts us at the moment is that the gentleman has introduced an amendment which will provide rates considerably below what I know he thinks are justified. I had been strictly for the committee bill, but in view of his actions in agreeing to a compromise, I felt that I must go along with this and join forces with him in order that we may move this rate bill along to the other body.

Likewise because of the decision which was made, I suppose in the last hour, that the Cunningham provision which would bar the transmittal of Communist propaganda in this country is to be included in the substitute, it makes that substitute more attractive. Without the Cunningham amendment, I do not know how anybody could support a postal rate increase. We would find ourselves in the position of calling on the postal field service to handle Communist propaganda virtually free while we

are telling American citizens you have to pay more to get your mail delivered. As we go through the amending process on this bill, it is very evident there are going to be all kinds of amendments offered to increase rates in some cases and to decrease them in others. I am now announcing that with, perhaps, very few exceptions I am going to oppose any of those amendments. I am going to do so because this subject of postal rates is just as complicated as any legislation that comes before this body. We have been days and weeks and months and, in the case of many of us, years listening to testimony in the committee—hammering out amendments and trying to keep the rates in balance so that we do not have great shifts at any point which would cause the users of the mails to suffer. This subject is complicated. The committee has worked hard. The staff has worked hard. We have been in consultation with users of the mail and we have been in consultation with experts from the Department. Out of it all has come a measure that is in balance and which, I believe, after it has been worked over by the other body will be a fairly satisfactory bill from all points of view. But, as I said in the beginning, I am reluctantly supporting this bill. Its impact on the users of the mail could be very damaging. It could be as has happened before that we will have to come back here and lower certain rates. But in that spirit of compromise, I am going to join with the chairman in trying to keep this substitute bill intact and send it to the other body and eventually the whole thing should result in bringing the post office deficit into balance.

Therefore, I rise in support of the Murray amendment.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from California.

Mr. YOUNGER. Can the gentleman tell us what percentage of the first-class postal rate is paid by business institutions and subject to deduction on taxes?

Mr. CORBETT. Approximately 75 percent.

Mr. YOUNGER. And what about the percentage of the second-class mail?

Mr. CORBETT. I would say regarding the second-class mail, that close to 100 percent of it is paid by business.

Mr. YOUNGER. And as to the third-class mail; would it be about the same? About 100 percent?

Mr. CORBETT. Third-class mail is basically direct mail advertising but there is very much of this type of mail sent out by nonprofit institutions.

Mr. YOUNGER. So, so far as the net return budgetwise for the Federal Government is concerned, we would lose approximately 50 percent of the increase; is that not right?

Mr. CORBETT. Well, this gets into the tax business and I do not know how it would affect certain companies. Obviously, if a company were operating at a profit, I think the gentleman's position is correct.

If some of these rates are going to throw them into a situation where they



have a deficit or are losing, then they will not be able to deduct; you cannot deduct from a deficit.

Mr. YOUNGER. They will not be able to add much to employment either if they go broke, will they?

Mr. CORBETT. I think the gentleman should direct these questions to the Director of the Budget and to the executive head of the Government, who have been the strongest pushers for this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Iowa.

Mr. GROSS. Is it not true that the proposed administration amendment to be offered by the chairman of the committee was rejected by the House Post Office and Civil Service Committee last year?

Mr. CORBETT. Technically that may be right. As the gentleman recalls, the bill was reduced by the gentleman from North Carolina [Mr. HENDERSON] and then we immediately started to amend it. There were all sorts of amendments to the Henderson bill; therefore, we never had a vote on the Henderson bill.

Mr. GROSS. Yes, because of a situation where we had four or five bills, and some of them came in overnight. Is that not true?

Mr. CORBETT. That is correct.

Mr. GROSS. So, very few people, if any, knew exactly what was going on. Is not that correct?

Mr. CORBETT. Let us say very few people knew.

Mr. GROSS. Is it not also correct that the chairman of the committee thought so much of the committee bill last fall that he asked for a closed rule for consideration of the bill last year?

Mr. CORBETT. He probably did this for reasons similar to the ones that cause me to support his substitute bill. The only chance we had last year to get a bill through, I believe the gentleman from Tennessee so stated, was to have a closed rule and get it over to the Senate; so he agreed to that procedure like I am agreeing to this one.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. JOHANSEN. It is my recollection, and probably the gentleman can bear me out, that what is now referred to as the Murray substitute amendment did lose in the committee, but it lost by one vote. Is not that correct?

Mr. CORBETT. I thought that was the original administration bill that was tabled and that we did not have a vote on the Henderson bill; anyhow that is essentially correct.

Mr. Chairman, I yield the floor.

The CHAIRMAN. The gentleman from Pennsylvania has consumed 8 minutes.

Mr. MURRAY. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. JAMES C. DAVIS].

Mr. JAMES C. DAVIS. Mr. Chairman, the essential provisions of this bill have been very adequately explained by the distinguished chairman of the committee and the distinguished ranking member on the minority side, so I will not impose

on the time of the Committee to go into the general provisions of the bill.

Throughout the years in the past I have opposed rate increase legislation for several reasons. One was that through most of the years first-class mail was not only paying its way but paying a profit. That situation has changed now, and in order for first-class mail to pay its way now I think it is necessary to increase the rate from 4 to 5 cents an ounce on letter mail and to increase the postcard rate and the airmail rate.

I voted this year to report the committee bill out of the committee.

The bill we will be considering today, the substitute to be offered by the distinguished chairman, was not the bill reported out by the committee. It was not the committee bill. I listened with a great deal of interest to the remarks of the distinguished gentleman from Pennsylvania [Mr. CORBETT]. He said he opposes all amendments. I hope he will not oppose the amendments I intend to offer, because I am offering one to amend the Murray substitute in two respects which were not in the bill reported out of the committee, and not in the original bill; one is the provision fixing a surcharge on second-class matter of one-half cent effective July 1 this year and one-half cent effective July 1 next year. That provision was not in the bill reported out of the committee, and I hope the gentleman from Pennsylvania will support my amendment. I hope the gentleman from Tennessee will see fit to accept my amendment.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. JENSEN. Do I understand the gentleman intends to offer an amendment to strike out the surtax on newspapers now in the Murray bill?

Mr. JAMES C. DAVIS. I am offering an amendment to strike out the entire 1-cent surtax which takes effect in two stages, as it applies to newspapers.

Mr. JENSEN. I am interested in that because I have a letter here showing that many newspapers in my district will be very greatly penalized by that provision in the bill.

Mr. JAMES C. DAVIS. I intend to offer that amendment.

Mr. JENSEN. I certainly thank the gentleman, and I shall support his amendment.

Mr. JAMES C. DAVIS. I also expect to offer another amendment about which I will say a few words at this time. The substitute will carry a provision to prohibit the mailing of third-class mail matter between the dates of December 15 and December 25 each year.

The purpose of that amendment is to require Christmas cards to be mailed prior to December 15. That is not in the law at present, but it is a provision in this substitute to be offered by the gentleman from Tennessee.

I have conferred with the Post Office Department and they tell me they handled the Christmas card situation this year in such a manner that this provision now is not necessary. The provision will do a great deal of damage to certain business people, one of which is in my district, the F. W. Dodge Co., which

gets out daily business reports. They mail them in December as in the other months of the year. If this provision restricting the mailing of third-class matter between December 15 and December 25 is not taken out of the bill, it will do incalculable harm to business people, such as the F. W. Dodge Co. which gets out construction news reports regularly each day. They would be prevented from getting them out for that period, if the bill is passed with that provision in it.

With these two provisions I expect to support the bill. I will support the bill if these two changes can be made, and I earnestly hope that the committee and the House will see fit to support me on these matters.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Alabama.

Mr. ROBERTS. I would like to compliment the gentleman on his amendment. As I understand it, his amendment takes care of the weekly newspapers with a circulation outside of the county of publication?

Mr. JAMES C. DAVIS. It certainly would.

Mr. ROBERTS. Most of these are family-owned and family-operated types of newspapers. That is the purpose of the gentleman's amendment?

Mr. JAMES C. DAVIS. The purpose of my amendment is to prevent this extremely heavy burden from falling on any of these small newspapers, some of which would be put out of business, so I am told by the Newspaper Publishers Association.

Mr. ROBERTS. In the absence of the amendment to be offered by the gentleman, under the Murray substitute how much of an increase would be placed on these small newspapers?

Mr. JAMES C. DAVIS. In the absence of the amendment there would be an increase of one-half cent per copy on each newspaper mailed out of the county of publication to take effect on July 1 of this year. Then another one-half cent to take effect on July 1 of next year. There would be a total increase, when fully effective, of an additional 1 cent per copy on every copy of a newspaper mailed out of the county of publication.

Mr. ROBERTS. How much of an increase have these weekly newspapers had since 1959?

Mr. JAMES C. DAVIS. I will have to speak from recollection because I do not have the record before me, but my recollection is that in 1951 we put on 30 percent in three annual increases. In 1958 three annual 18-percent increases were adopted, making 54 percent.

Mr. ROBERTS. I thank the gentleman.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Florida.

Mr. MATTHEWS. Could the gentleman give me some idea as to how much revenue would be lost from the bill if his amendment is passed?

Mr. JAMES C. DAVIS. Yes. The amendment as it is in the Murray amendment would mean an increase in

revenue of \$53,400,000. This amendment would not take all of that revenue out. My guess would be, and it is only a guess, that it would take from this \$53,400,000 maybe 40 to 50 percent.

Mr. MATTHEWS. I thank the gentleman.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from California.

Mr. GUBSER. Did I understand the gentleman to say that the Murray substitute carries with it a provision preventing the mailing of third-class mail between December 15 and December 25?

Mr. JAMES C. DAVIS. Yes. The Murray substitute carries that provision.

Mr. GUBSER. May I inquire as to the reasoning behind that? Was that to encourage the mail to be dispatched at a time other than the Christmas rush?

Mr. JAMES C. DAVIS. It was to encourage the mailing of Christmas cards prior to December 15.

Mr. GUBSER. But the Post Office Department is not required to handle third-class mail on a priority basis, and if they are burdened with other mail, they do not need to handle it at that time of the year, or is it a matter of storage?

Mr. JAMES C. DAVIS. As a matter of practicality, they know that Christmas cards must be delivered before December 25, and consequently they have always done that. But, they have worked that out, and they say they have handled it wonderfully well last year without that provision, and they can do it this year and all other years.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Iowa.

Mr. JENSEN. We have, I think, in the neighborhood of a thousand of these so-called shoppers' guides. They send out papers generally once a week to all the box holders in the county or trade territory, and they pay 2½ cents a copy. Now, that is third-class mail. That is about the same rate paid for a heavy magazine sent from Boston to San Diego, Calif., for example. Simple justice demands that this inequality in rate should and must be corrected.

Mr. JAMES C. DAVIS. Well, in the short time I have here, I do not think I would be able to give the gentleman complete information on that, but I would refer the gentleman to this analysis of the proposed substitute and the committee bill, and you can see the rates here on third-class matter.

Mr. JENSEN. Yes. I have seen that analysis, and am not at all satisfied with it.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. CORBETT. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, and members of the committee, I personally would prefer the committee bill over the substitute proposed by the chairman if we must have a rate bill. I think it is a bill that does not please everyone, but it could be amended up or down to suit the wishes of the Congress.

I favor it if it prevails, particularly because the committee in its wisdom added a provision to stop the free delivery to our people of Communist political propaganda. I am going to speak only briefly on rates, because I want to get into the other subject.

I want to say to this committee that this is a very technical and difficult problem. There are some people that say that the postal budget ought to be balanced. This is a new innovation. It was popularized by Mr. Summerfield when he was Postmaster General. I disagreed with him then and I disagree with the theory now. You are never going to be able to achieve a so-called balanced budget between outgo and income in the Post Office Establishment. It is a service institution. Following that theory to its logical conclusion, with all of the increases that are coming along—we are going to vote for a pay raise, transportation costs will rise, rent costs will rise, and so on—conceivably in 10 or 15 years we could have a 25-cent stamp.

So, you are never going to be able to balance expenditures and revenues. Therefore I discard that theory that we hear so much about. But that is not too important at the moment. We have gone at great lengths into rates at our hearings. I want to tell you that we raised the rates not too long ago. I am not going to oppose the amendment, if it includes the antipropaganda amendment, but I think there is something that we learned in our committee in which the Members of the House would be interested. You are raising the first-class rate from 4 cents to 5 cents on letters, and from 7 cents to 8 cents on air mail. This brings in the major portion of the additional revenue that is provided for in this bill. They are going to raise the rates on newspapers and magazines, which we call second-class material.

Mr. Chairman, I for one am not willing to penalize all of the little publications at the expense of the big daily papers who may be able to survive under the increase. But for every big daily that makes a lot of money there are probably thousands of little papers that are now just breaking even or losing money. Many of these little papers are run by man and wife, and they are going to be hard hit, if not put out of business.

Mr. Chairman, I have no brief for Life magazine or Time or Newsweek, or many other famous publications that we can think of which make money, but there are literally thousands of these publications that are not only losing money but are almost bankrupt. These rates can—and I think will—be the death blow to the small publications which are operated by small businessmen.

Mr. Chairman, with reference to third-class rates, which we call advertising mail, there is a story which has not been told so far as this great Nation of ours is concerned. They serve a legitimate function. Surely, perhaps you and I do not read all of the material that we receive under third-class mailing privileges. Perhaps people throw it into the wastebasket. However, figures

will show, based upon testimony before the committee, that this advertising does produce business. First of all, it has to be prepared by small businessmen in a little printing shop somewhere, in a little direct-mail advertising operation somewhere, a little offset printing shop somewhere. They employ two or three pressmen or offset men. It involves the purchase of paper and materials and ink to print this.

Mr. Chairman, if only 1 or 2 people out of 10 that receive this material bought an article that was advertised, it certainly would stimulate and does stimulate business. But this increase may put them out of business. So, we are going to penalize the small businessman further. Therefore this is not a simple problem. It is a very, very complicated problem. I say that in our deliberations we should give serious consideration to this matter. There is not anybody that you are going to meet that is going to be happy about these postal rates and the increase that is proposed. This is in the form of a tax. Nobody likes to pay more taxes. We are all going back to our districts and are going to have to face that charge.

Mr. Chairman, I say that this budget can never be balanced in the Post Office Department. It never will be. It is a service institution, and it has to remain that way. Therefore I say to the Members of the House that you should give serious consideration to the very grave problem that confronts us at this moment, and which affects literally tens of thousands of small people, small businessmen.

As I said, we may believe Life and Time and a few others can pay more money, but there are only a handful of those; there are thousands of others that are on the brink of disaster. So you are going to make the richer ones richer and the little ones are going out of business. I do not think that is the trend that we should follow.

Mr. Chairman, I would like to speak about the anti-Communist proposal which has been mentioned, the amendment to the committee bill which from the parliamentary standpoint is before the Committee at this moment. We worked hard and long on this bill, as I said. We did not provide everything that everybody wanted, but we knew the bill could be amended up or down to suit the will of the Members. But it did have a provision that said that no longer are we going to deliver free of charge, at the taxpayers' expense, literally millions of pieces of Communist political propaganda.

Mr. Chairman, the country is in a dither, it is excited, it is mad about the free delivery of Communist political propaganda. You do not have to take my word for it. Here are letters that represent just 1 day's mail, and they are coming in like this every day. I did not count them but they are in the thousands and from all over the country. The people are incensed over the fact that they are going to be called upon to pay higher rates and still we permit this material to come in here without any charge whatsoever.



Under President Truman, and President Eisenhower continued President Truman's program, we did have some type of effective means of screening this material. That meant that when this stuff came over it was checked and the people to whom it was addressed were sent a notice that this was evidently propaganda; did they order it and did they want to receive it? More than 90 percent of the people said no, they did not order it, did not know how their name got on the list and certainly did not want it.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. CUNNINGHAM] has expired.

Mr. CORBETT. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CUNNINGHAM. Mr. Chairman, I had hoped to get more time; I requested it, but did not get it but I thank the gentleman from Pennsylvania. There have been many figures about the volume of this Communist propaganda. Mr. Irving Fishman of the U.S. Customs Bureau said in 1958 there were 4,800,000 parcels, and a year later it was estimated by Mr. Fishman that 6 million parcels containing 10 million individual items came in. In 1960 it was testified that over 14 million packages or 21 million pieces were coming in.

Mr. Chairman, I want to say as a fact that nobody knows how much of this material is coming in. During the recess I spent most of my spare time checking into this, going to ports of entry, and let me say that when these figures are recited, they are only giving the amount of material that comes from Communist-bloc countries and they are only using figures for three ports of entry—New York, San Francisco, and New Orleans. First of all, more than 50 percent of this comes from Communist groups in the free world and they are not reflected in these figures. Secondly, there are 50 ports of entry in this country and there is a check made at only 3. They have checked only three of them and they do not have a staff to do a thorough job. That means that at 47 of these ports where the material may be coming in no check or inspection is made. There is no knowledge as to its volume.

There is positively no knowledge of the amount of Communist propaganda entering this country. No one in Government can supply this information, I am sorry to say.

I might add that the people are not only concerned that this material comes here but are equally, or even more so, enraged that we should deliver it free and subsidize this inflow of Red propaganda.

I could stand here—I do not know if it is true—but I could stand here today and say 50 million pieces. I want to insist that these figures are not accurate. But nobody knows what they are, and nobody can dispute what I have just said to you here.

There have been committees of the Congress which have tried to reach this situation. They have tried to go after it through a different approach. We do not have to do that, this amendment is very simple and very clear cut and very

definite. It can only come from the Post Office Committee. What we are doing here is working through the Universal Postal Union. This is a mail handling arrangement between this country and over 100 other countries throughout the world. We have a right to regulate the flow of anything that is adverse to this country. So all the anti-Communist proposal does is to place a section in that portion of the law involving the Universal Postal Union which says we shall no longer handle or deliver Communist political propaganda free of charge. I want to say this. The people of the United States are not only concerned that this propaganda is flooding this country in huge volumes—what incensed them is the fact that we allow it to be delivered free. I would not be so disturbed if we knew that what we send over there is delivered and distributed. But, ladies and gentlemen, it is not. So we are suckers here. We are distributing all their material which is going to our youth and to foreign language groups here while they are not distributing ours.

I had a man who came back from Russia just last week, just like many other people who come in and report to me because he knew I was interested in this subject. He went to three cities including Moscow. His primary purpose was to visit all of their newsstands to see what American material might be distributed or displayed. In not one single instance did he find any American literature, newspapers, or anything issued from this country except the Daily Worker. So I am saying to you, this is a matter of simple justice. This Universal Postal Union is a sort of treaty, unofficially; it is a mail handling arrangement. I am saying they have abrogated it unilaterally. We deliver their mail and we live up to the agreement, but they do not deliver and distribute our material and they do not live up to their agreement.

Mr. Chairman, there is much more to be said on this vital subject which I would like to say but unfortunately time is limited under the rule.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GROSS. Mr. Chairman, I yield to the gentleman from Ohio [Mr. HARSHA].

Mr. HARSHA. Mr. Chairman, Americans throughout the country are calling on Congress to end the subsidy given Communist propaganda. The time for the House of Representatives to act on this serious problem is now. Now is the time to put an end to this unholy situation. If we are going to ask the American taxpayer to pay higher postal rates—how in good conscience can we do this and not put a stop to the delivery and subsidization of such trash.

It should be obvious to everyone by now that we are engaged in a life or death struggle for survival with the international Communist movement. We cannot hope to prevail in this struggle unless all Americans in every field of endeavor are absolutely convinced beyond any shadow of a doubt that we are not engaged in a popularity contest with a competing economic system; that

we are not faced with certain annoying adjustments which should be made so that we may coexist with a different system of government; but that we are now in a death struggle with an enemy the like of which we have never before encountered.

One of the most effective weapons used against us in this onslaught has been the intensive, massive, and vicious Communist propaganda assault on the United States.

Since 1948 the U.S. Customs Bureau has been under orders to screen Communist propaganda coming into this country and to intercept unwanted and unsolicited material. On March 17, 1961, this order was rescinded which now permits tons of Communist propaganda to flow freely throughout this country.

This propaganda is very cleverly and subtly written with the avowed purpose of brainwashing, warping, and destroying the minds of our citizens, both young and old. And the ironic, unbelievable fact is that you, the taxpayer, are subsidizing this effort to destroy the very thing you cherish the most—freedom.

High school and college students throughout the United States are supplied with Communist propaganda delivered free of charge by the U.S. Post Office. The House Un-American Activities Committee reported that "every school and college in the United States is directly or indirectly the recipient of some of these Communist propaganda publications." Thus, the Communists have discovered how to make American taxpayers finance a Red pipeline to the minds of our students.

The U.S. Bureau of Customs in a 12-month spot check of Moscow's literature through New Orleans counted at least 300,000 packages of Communist propaganda destined to schools and colleges. Each package contained 5 to 15 different publications of youth leadership for communism.

New Orleans is one of the lesser ports of entry from the standpoint of Communist propaganda. A heavier volume of this material is coming into the United States via approximately 50 other ports of entry.

The endless lists of our students are compiled and addressed through the World Federation of Democratic Youth, a pro-Communist front organization, and by the International Union of Students in Prague, Czechoslovakia. Both of these major international Communist-controlled youth organizations publish at least 40 periodicals which are disseminated regularly in schools and colleges.

The Communists' propaganda campaign has all the priority and impressiveness of their missile program. Russia and Red China can produce about 3,600 million books a year, more than 1 book for every person on earth. The Senate Internal Security Committee reported:

The various forms of Communist propaganda throughout the world involve a personnel of about 500,000 and an annual expenditure of approximately \$2 billion.

This propaganda has created the intellectual climate for the San Francisco

student riots against the House Un-American Activities Committee, for the movement of certain Smith College students in petitioning Members of Congress to curtail the activities of this committee, and for the mushrooming on the campuses of Communist fronts in support of unilateral disarmament, Castro, recognition of Outer Mongolia and Red China, and against nuclear testing, ROTC, and loyalty oaths.

Under international postal agreements, the country of origin collects the postage, and our mailmen deliver mail from door to door without any charge in the United States and our territories. With non-Communist countries, this is a satisfactory arrangement, because we collect postage here for mail going overseas. With Soviet-bloc countries this reciprocal agreement is a farce. Does anyone believe that Soviet Russia, the master of deceit and prevarication, will deliver first-class letters from the United States without first censoring them? Certainly we are not naive enough to believe she will deliver American propaganda to Russian citizens.

Our postal deficit for fiscal 1961 was approximately \$843 million. Contributing greatly to this deficit is the great volume of Russian propaganda and mail shipped into this country. Less than half of this Red propaganda actually comes from Soviet-bloc nations. The balance comes from subversive groups within the so-called free world.

During the year 1960 there was imported into the United States from Soviet-bloc countries printed matter, whether or not propaganda, averaging 1,341,298 pieces per month. To date there is no accurate count of how much comes to the United States from the free world. The lifting of the ban in March of 1961 will permit additional unsolicited tons of subversive material to be delivered to our citizens. No other country in the free world would permit Moscow's subversive material to be delivered at the expense of its own taxpayers.

Our greatest treasures are the minds of our youth. The future of America lies in their hands, and we certainly should not allow them to be unwittingly victimized by Communist propaganda subsidized and delivered by U.S. citizens and taxpayers.

To ask the American taxpayer to pay increased postal rates while at the same time permitting this Red propaganda to be distributed in this country free of charge is sheer hypocrisy.

If the free distribution of this propaganda were stopped, an increase in first-class rates would not be needed. To argue as the Post Office Department does that because we send out more mail than we receive is not a valid reason for continuing to accept Red propaganda. To accept such an argument is tantamount to saying that because we send out larger quantities of perfume we should continue to accept smaller quantities of poisonous gas.

During the balance of this session we shall hear impassioned pleas about how foreign aid is needed to defeat communism and how the President's request for authority to cut tariffs should

be granted to combat communism, yet if this amendment is not accepted we will continue to subsidize the Red propaganda drive. It just does not make sense.

Members of the House, I earnestly urge your full support of this effort to stop the delivery of Communist propaganda. Let us save the minds of our citizens and youth from this destruction and at the same time help balance the postal deficit.

Mr. ASHBROOK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Chairman, I certainly want to associate myself with the remarks of the gentleman from Nebraska [Mr. CUNNINGHAM] and the gentleman from Ohio [Mr. HARSHA]. I have joined them during the past year in the fight to block Communist propaganda mail from pouring into our country and being delivered free of charge. My own bill, H.R. 9281, will be largely adopted in the postal rate bill we are considering today. It is a companion bill to those introduced by the gentleman from Nebraska [Mr. CUNNINGHAM] and the gentleman from Ohio [Mr. HARSHA].

I believe that every Congressman found an aroused citizenry at home during the recess last fall. People are absolutely unable to comprehend why the Kennedy administration has opened the dike to this flow of poisonous propaganda. It is but one of the appeasing overtures that have been made toward our professed and undeniable enemy, the Communist bloc. I am very pleased that we today will strike a blow which has been needed for some time and I hope the sentiment expressed will serve as a call to our State Department and administration to stiffen its posture in our dealings with the enemy.

Mr. BEERMANN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEERMANN. Mr. Chairman, I am very pleased that the administration is so concerned about balancing the budget. It is a concern many of us have held for many years, and I, for one, am delighted to have this new and welcome company. I am tempted to take heart at this great affection for a balanced budget, but I cannot. The approach is not the right one. The amendment introduced by the gentleman from Tennessee [Mr. MURRAY] is a "spend more, and tax more" approach to balancing the budget. It overlooks completely that the Post Office needs modernization and efficiency. Last summer, the Deputy Postmaster General, Mr. Brawley, said \$300 million could be saved by modernization. I would like to see that done without delay.

A businesslike operation in the Post Office does not mean only that the income balances the outgo. It means that the Post Office operation is carried

on at the lowest possible cost for which the best service can be provided.

There is another thing that bothers me about this sudden get tough policy by the administration. It is a get tough policy that again is toughest on American private enterprise. There seems to be a pattern of trying to make it just a little more difficult for businessmen to operate. This pattern is all too plain in Agriculture, where the schemes of the Secretary are trying to put all farmers under the tight control of the Federal Government.

In this postal bill, we are jeopardizing a very important segment of American business—the free press. I notice from advertisements in the newspapers during the past week that both businessmen and their employees are worried about whether or not magazines and small newspapers can survive another set of postal increases. We all should know they are paying twice what they did for postage 10 years ago.

This leads to the most important point that my colleague, the gentleman from Nebraska [Mr. CUNNINGHAM], is trying to make. The United States is subsidizing Communist countries like Yugoslavia and Poland, and very questionable neutrals like India and Indonesia, while getting tough with American business. This gets to be pretty silly. Here we are, considering a measure that seems likely to eliminate a part of America's great free press, and subsidizing through our foreign aid the controlled press in Communist countries. And if this is not enough, we are delivering free—in the United States—the very propaganda that is seeking our downfall.

I wholeheartedly agree with the gentleman from Nebraska [Mr. CUNNINGHAM]. Why in the world do we dare allow our Post Office Department to deliver Red propaganda at our own expense—or if you please, by using some of the money we hope to get by increasing the rates on second class mail? I will absolutely have nothing to do with a postal-rate bill until we stop delivering Communist propaganda through the mails. I think the Members should join in insisting that any consideration of higher postal rates should be based on adoption of the amendment just presented by the gentleman from Nebraska [Mr. CUNNINGHAM].

One more thing. We should not overtake what might happen to what is left of our farm newspapers and magazines. Some, while doing great work for the American farmer, are just hanging on, and I am fearful of what the added expense of a big increase in postal rates would do.

I have been reading some university extension service surveys to find out where farmers get their information on new farming techniques. In other words, where do they learn? Some of you might be surprised to discover that in every research project, farm newspapers and magazines were the principal source of information. Farmers even relied on farm magazines more than on their county agents, and certainly more than on Government handouts.

The farm publication is the greatest ally the people have against the plan-



ners who constantly try to manipulate and control American agriculture. Here the vital area is information—not as the Department wants us to have it, but pure information. For every farm publication that disappears, there also disappears a little bit of freedom, and there is a little more dependence upon the Government's adulterated propaganda.

Farm publications are particularly endangered, because they are not sold on the newsstands. They are delivered on rural routes, and no one has yet devised a way to make rural routes pay their way. Farm publications likewise must use the mail to solicit subscriptions, and to handle renewals. They are dependent on the postal systems. They are dependent on low second class rates that have been basic to a free press in America since our country was founded.

Mr. Chairman, we must not be stampered by the crocodile tears of the administration whose pious claims of budget balancing are misleading and which avoid the real issue. Let us join the gentleman from Nebraska [Mr. CUNNINGHAM] in making the elimination of Communist propaganda from our mails a prerequisite to consideration of postal rate increases.

Mr. WALLHAUSER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WALLHAUSER. Mr. Chairman, the balancing of the budget is important to maintain the fiscal integrity that has helped our great Republic to grow so influential and important in world affairs.

A raise in postal rates is but one step that can be taken to accomplish this objective. Another is a reduction in the operating costs of the Post Office Department. An important reduction can be effected, I believe, if the Communist propaganda that is flooding our ports of entry remain undelivered free of charge.

An important step for this Congress to take, in my opinion, is to provide the tools that will enable the executive department to legally close off the flood of unwanted, unrequested mail that our citizens are being exposed to.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. HENDERSON].

Mr. HENDERSON. Mr. Chairman, it is my intention to support the amendments which the distinguished chairman of the Post Office and Civil Service Committee, the gentleman from Tennessee [Mr. MURRAY] will propose when the bill is read for amendments.

The gentleman from Tennessee's [Mr. MURRAY] amendment, as he has explained, includes the same postal rate provisions and public service policy contained in H.R. 7927 when I introduced the bill on June 29, 1961. As explained in my statement in volume 107, part 9, page 11833 of the CONGRESSIONAL RECORD, my bill was introduced by general agreement of the Committee on Post Office and Civil Service so that its provisions could be considered by the committee in detail, after I had informally discussed, at a committee meeting the previous

day, certain rate and public policy revisions that I felt might be a suitable compromise in lieu of the original postal rate bill, H.R. 6418, which was based on an official recommendation of the Post Office Department.

My suggestions for compromise provisions were developed after careful review of the extensive record of public hearings and the deliberations of the committee in executive session on H.R. 6418. I felt then, as I do now, that the public service formula and the rate revisions in my bill, which are now contained in the amendment to be proposed by the gentleman from Tennessee [Mr. MURRAY], represent a fair, moderate, and effective measure to establish a firm and lasting foundation for a postal rate structure which will return postal revenues equal to postal expenses, after a suitable writeoff of expenses to public service, and will ascribe postal costs to the various classes of users of the mails in an equitable manner, with full consideration to the value of the service they receive and the costs incurred in rendering that service.

The Postmaster General officially reported last year, and again has reported with respect to the proposed Murray amendment, that H.R. 7927 as introduced, and the amendment, provide the very minimum postal rate adjustments which should be enacted. In my judgment, approval of the Murray amendment is essential if we are to meet the issue of fiscal responsibility. These proposed increases have been developed after full consideration of the many issues brought out in our public hearings last year on the postal rate question.

I am very gratified to note, also, that one of the strongest impediments to final action on postal rates last year, evidently has been removed by assurance we have received through a public statement by the chairman of the Post Office and Civil Service Committee of the other body that he will schedule prompt action on postal rate legislation, including an appropriate public service policy, when such legislation is passed by the House.

The amendment to be proposed by the gentleman from Tennessee [Mr. MURRAY] includes a firm, effective, and highly equitable provision which will relieve users of the mail from any burden for the costs of public services performed by the Postal Establishment such as free-in-county mail, free mail for the blind, and mailings at special reduced rates by qualified nonprofit organizations.

I became convinced while in my district during the recess that the overwhelming sentiment, of the people I represent, is that if we in the Congress find it necessary to increase first-class postal rates, we must also increase second- and third-class mail far more than is proposed by the bill, without the adoption of the Murray amendment.

I recognize that some of the second- and third-class uses of the mails will find the increases to be a heavy burden, but any postal rate increase will probably do this, and the present burden of the postal deficit upon the taxpayers is also of great concern.

I believe that when the Murray amendment is passed by the House it will be acted on promptly by the other body, so that the additional postal revenues which the President of the United States has given first priority among all new revenue measures this year will be assured as a first step toward the anticipated balanced Federal budget for the fiscal year 1963.

I hope that the membership will give its overwhelming support to the Murray amendment.

Mr. GROSS. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, I rise in support of a balanced Federal budget. I would like to have been able to state that I rise in support of H.R. 7927 as reported by the Committee on the Post Office and Civil Service, but I do not think that the bill is sufficient, that it does the job well enough. The gentleman from Tennessee [Mr. MURRAY] will offer an amendment that will be an improvement. I will support that amendment, but I still do not think the bill even as amended will do the job that ought to be done.

As has been stated by previous speakers, this is a controversial and complicated measure; it is confusing, but there is no easy solution to the problem. I think that we can agree on two things. First of all, that there is no such thing as a perfect postal rate bill. It would be impossible to come up with a measure that everybody would agree with, a measure that would not affect some segment of our economy adversely or in which some industry would not be hurt. That is what suggests a compromise as a solution to the problem, and that is what we are attempting to do here today.

The Postmaster General did submit what I thought was a good bill, one that would meet the problem head on. It would raise the postal revenues in the amount of \$741 million a year. But that was turned down by the committee. The committee reported a bill to the House that would raise revenues approximately \$550 million, but it placed too much of the increase on the first-class users. The Murray amendment would help correct that inequity.

Another thing we can agree on is the fact that the deficit in the Post Office Department has to be met. Somebody has to pay for it. There are three ways that we can make up that deficit in the Post Office Department. One is to add it on to the national debt; two, charge it to the taxpayers in general; and three, have the users of the mail pay for it.

Insofar as adding this on to the national debt is concerned, we are now approaching a national debt of approximately \$300 billion. It may be necessary at certain times to increase our national debt in order to meet any threat to our survival; but I think it is unconscionable in a time of progress and prosperity to pass on the deficit of operating the Post Office Department to future generations. That is exactly what we have been doing since the end of World War II. In fact, we have a total postal deficit since 1946 in the amount of \$7½ billion. There has been

an increase in the national debt since 1946 in the amount of \$18 billion, not including the deficit for the current fiscal year. Regardless of how much you juggle the figures, the net effect is, we have passed on the entire postal deficit since World War II to future generations to pay.

So far as charging this to the general fund is concerned, or having the taxpayers pay for it, may I ask, Who is this benevolent taxpayer we are asking to pick up the tab? Is it the individual who has withholding taxes deducted from his paycheck? Is it the corporations? Is it to come from inheritance taxes, excise taxes? I say that there have been plenty of complaints already about the inequities in our general tax structure. In fact, it is a question of whether we have reached the point of diminishing returns.

The President, I understand, has asked for authority to actually reduce some of the income taxes. The funds are not available from the general revenue to make up this deficit. That would seem to be the easy way out, but it is the wrong way.

The fairest alternative is to have the users of the mail pay for it. It makes no difference whether we consider the Post Office Department a business or service. If it is a service, then it is the best bargain that the American people can receive, regardless of whether we consider the charge for use of the mail as a tax or not. It makes no difference. There is no better way of charging for this postal service than to charge it to the mail users. It is the thing that benefits so many people. Then in direct proportion to their benefit in the use of the mail, they should pay for it. Why pass the buck? Why not charge it directly to the users of the mail service?

I think that the American people overwhelmingly support that principle. I think they are willing to pay for this postal service that they receive. That has been the historical tradition since the turn of the century. From 1900 up until World War II the average postal deficit was \$33 million a year, and, incidentally, that included all subsidies—airline subsidies in the amount of about \$75 million, frank mail to Members of Congress, free mail to various Government agencies. We have since that time taken that out of the postal budget, yet the amount that the cost exceeded the revenues this year is amounting to \$832 million, even with all of these subsidies removed. The cost of living since 1932 has increased by 118 percent. The cost of delivering mail has increased 130 percent, but yet in the first-class mail we have only increased the rate, the charge to the users as beneficiaries, 33½ percent. So I think it is fair and equitable to pass on some of the increase on to the principal users, the principal beneficiaries of the mail.

Mr. Chairman, there is no easy solution to this problem, as I said before. There has to be some give and take; there has got to be some compromise. I think, again, that the amendment offered by the chairman of our commit-

tee, the gentleman from Tennessee [Mr. MURRAY], is a good compromise. The administration supports it. It does not do the job, but it still helps to solve this problem somewhat. We will still have some deficit, regardless of whether we charge it as a public service or not. We will still have some deficit which today you are charging on to future generations.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I voted against the gag rule that was attempted last September. I wanted to amend upward some of the rate provisions in the bill that was presented, that is, the committee bill that was presented last fall. I had some other faults to find with that bill, and today I would be happy if we were considering the committee bill and I had the opportunity to present amendments to that bill. I do not find fault with my chairman and his procedure, but it kind of shortcuts some of the things that I would like to do. There is an increase in rates in the committee bill which I am for, but that increase is being eliminated in the Murray amendment. Mr. MURRAY's amendment would have no increase applied to the controlled circulation magazine. It would be the only class that would not have a substantial increase. The committee bill would increase that particular class \$1.3 million. Mr. MURRAY's amendment would have a minimum charge on that class that would bring in perhaps an increase of \$100,000.

Now, in every other class there is an increase of a substantial amount except that one. I wish that we were considering the committee bill that had been considered after all, for 7 months and had put an increase on that class and had put an increase on every class. As I say, perhaps all the Members are not content with all of the increases, but if we had the committee bill, we could increase where we wished.

Now, I think that the original committee bill, that is, the bill before us, does not increase second or third class as much as perhaps it ought to. On the other hand, I think that Mr. MURRAY's amendment is, in fact, a kind of Post Office Department bill that is too high in the class of newspapers that are doing business in my district.

Mr. Chairman, newspapers in my district do not have so much advertising or so much weight, nor do they receive such a revenue for a page of advertising as one of the great newspapers or magazines in more populated areas. Therefore I do not think that a 1-penny-per-piece charge—an increase, if you please, of 1 penny per piece on each newspaper in my area—should be the same as the per-piece charge of the larger, wealthier publications in a more populated area. There is a difference in the kind of service that the larger publications with a great deal more expensive advertising receives as compared to the kind of service received by the publications in my area.

Mr. Chairman, as a matter of history we have a law under which we have been increasing the rates for these kinds of

publications on a per-pound basis—pound rates, if you please. There is a pound rate on the editorial matter, and there is a higher per-pound rate on the advertising material. In that way the load is with respect to the weight of the advertising and the weight of the editorial material in the respective kinds of publications.

Mr. Chairman, I think that that historical method of assessing the charge against newspapers and magazines is the one we ought to stick to, and that is the method that is in the committee bill which is before us. If there should be an increase, let us increase it by the historical method.

Mr. Chairman, I am of a mind to support the amendment that my friend, the gentleman from Georgia [Mr. JAMES C. DAVIS], plans to offer. However, if it fails, I have an amendment that will be a kind of compromise between the committee bill and Mr. MURRAY's amendment. My compromise would give recognition to the fact that we should emphasize the pound rates rather than the per-piece charge, and I would suggest a small per-piece charge as well. The amendment which I will offer is estimated to bring in about \$41 million, according to the Post Office Department figures, as compared to the chairman's amendment of \$53 million.

Mr. GROSS. Mr. Chairman, I yield for a unanimous-consent request to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, the gentlewoman from New York [Mrs. ST. GEORGE], who is a member of the Committee on Post Office and Civil Service, is unavoidably absent.

Mr. Chairman, I ask unanimous consent that her remarks in support of the Murray substitute amendment may be entered in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mrs. ST. GEORGE. Mr. Chairman, I support the amendment offered by Chairman TOM MURRAY. This amendment substitutes a more realistic postal rate increase bill than the one approved and reported by the House Post Office and Civil Service Committee.

At the outset, I should like to explain that for several years prior to 1961, the Eisenhower administration had submitted legislation which was designed to eliminate a major portion of the postal deficit. Since 1959, this deficit has quickly risen from over \$600 million annually to \$832 million annually in 1963. During those years prior to 1961 those of us who supported a postal increase bill could not get the Democratic leadership of the House to permit the bill to be voted on. I am pleased, however, that conditions have changed and that the present leadership in support of its President must now agree to fiscal integrity in postal operations.

In those earlier days there were only a handful of us, including the distinguished chairman of our committee, who recognized the need to reduce the tremendous postal deficit which was increasing our national debt at the rate of



from \$600 to \$800 million annually. Our delay in favorably acting on this legislation has meant that an unnecessary financial burden will be placed on future generations. In fact, our failure to act for more than 3 years has resulted in increasing the national debt by almost \$2½ billion which is a substantial portion of the President's requested increase in the national debt ceiling. It is not my purpose to discuss the mistakes of the past or to remind my colleagues of their failures to face their responsibilities in former years.

If a postal rate increase bill had been approved several years ago when President Eisenhower requested its enactment there would not now be the need to consider the enactment of this measure which is before us today.

I have observed in the press comments to the effect that the enactment of this legislation is necessary if the President's budget is to remain in balance. I am unimpressed by this argument. It is my view that there are many items of expense in the President's budget which are unnecessary and should be eliminated. The principal reason for supporting Mr. MURRAY's amendment and the postal rate bill generally is because it will, in large measure, eliminate the unconscionable postal deficit and will fix rates and charges which the users of the mail should pay for the services they receive.

A large portion of the revenue raised by Chairman MURRAY's proposal will come from first-class mail rate increases. According to the information which we have received, for many years the principal users of first-class mail—that is, 75 percent of first-class mail—are the business people of our communities, and only a small fraction of the total volume of first-class mail is originated in the homes of our Nation. With the increase from 4 to 5 cents for first-class mail, there will be only a modest increase in the expenses of the average family which is estimated at about \$1.80 a year.

Another basis upon which I support Chairman MURRAY's proposal is that it proposes a more fair and equitable rate increase for second- and third-class mail as compared to first-class mail. In the committee bill a greater bulk of the rate increase would fall on the first-class mail user and a disproportionate share of the increase would be allocated to second- and third-class mail. However, under Chairman MURRAY's proposal which failed by only one vote of receiving approval by our committee the revenue from second-class mail would be increased from \$21 million to \$53.4 million annually.

With respect to third-class mail which the Members know are circulars and advertisements which we all receive in quantity, the committee bill proposed a revenue increase of \$57.3 million annually while Chairman MURRAY's proposal would increase this amount to \$93 million annually. This is accomplished in large measure by increasing the minimum per piece charge for this class of mail from 2½ cents to 3 cents.

The remaining major difference between the committee's bill and the pro-

posal of Chairman MURRAY is that the public service items enumerated in the Postal Policy Act would be established at approximately \$248 million annually as compared to \$342 million annually in the committee bill. In my opinion, Chairman MURRAY's proposal is more realistic and more equitable with respect to the provisions relating to public service items.

Thus, in terms of actual revenue the substitute bill of Chairman MURRAY would increase postal revenue \$622 million annually while the committee bill would raise only \$551 million. In summary I would suggest that the Members should support the measure which is proposed because it would provide a more fair and equitable rate adjustment for all classes of mail and would eliminate criticism of Congress for approving a measure which levied most of its increases in the first-class mail category.

Lengthy hearings were conducted by our committee last year at which time an opportunity was given to all the mail users to testify and present their views and, in addition, we heard the views of the Postmaster General and his staff.

It should be pointed out that the views of this administration are not unlike the views of the former administration.

I am pleased to learn of the general support which is being given this postal rate increase legislation. I hope its enactment does not provide a license for the administration to spend the new revenues which are raised in wasteful or irresponsible ways.

I should not be in favor of this measure if I felt that this would be the result. I am hopeful that those who are conducting the affairs of our Postal Establishment are firm in their belief—as were their predecessors—that the postal service should more nearly pay its own way and that the users of the mail should pay their fair share of the expenses for the services they receive.

Arguments have been advanced in favor of postal rate increases that almost every other major nation of the world provides a postal service with rates designed to pay for costs. I am not certain as to how compelling this argument is but I do feel that certainly the people of this Nation can afford a postal service without a deficit of \$832 million annually in its operation.

Those of us who believe in fiscal integrity cannot turn our backs on this problem. I certainly welcome those Members and administration leaders who in the past few years have had a change of heart and now join with us in our endeavor to put the postal service of the United States on a sound financial basis. As I said earlier, I regret we could not have their help before this year because we would have relieved future generations from facing an increase of many billions of dollars in our national debt.

I earnestly solicit the Members to support the amendment of the conscientious and able chairman of our committee, the gentleman from Tennessee [Mr. MURRAY], and I hope that his substitute will be approved without any amendment which would distort the rate structure of the bill which he has proposed.

Mr. GROSS. Mr. Chairman, I yield to the gentleman from Washington [Mr. PELL] for the same purpose.

Mr. PELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELL. Mr. Chairman, I would be less than honest if I did not express agreement with those Members of the House who take the position that in the interest of fiscal responsibility some adjustment in postal rates is overdue. Like other Members, I have been analyzing this situation. Certainly the amount of the deficit—the postal deficit exceeds \$800 million—is unconscionable.

Certain experiences, Mr. Chairman, that I have had with the management of the post office, however, indicate that higher postal rates is not the only answer to this problem. There is an angle of management policies and practices. I have very much in mind, for example, that for years, in the interest of economy, I have sought competitive bids for carrying the mail to the Aleutian Islands. Instead of that, the Post Office Department has a sorry record of negotiating with their own favored individual contractor. I might cite, for example, that at one time bids were delayed and specifications were set up in order to prevent any except the one favored bidder from entering a responsible bid. In this case, shortly after his bid was received and accepted, the Department quietly negotiated an increase in his contract. Also, the Department supported legislation that would have established by law a virtual monopoly for this one individual.

If there are other situations such as the experience that I have observed with the carrying of the mail to the Aleutian Islands, certainly politics, favoritism, and I sometimes suspect actual corruption would contribute to the Department deficit. Last year, in connection with this same route, in response to my request the Postmaster General announced that the Department would award the contract by public bidding. Subsequently, this decision was reversed and the incumbent contractor was given the contract in the face of the fact that four other individuals had advised me that they wanted to bid. What is more, the favored individual was to use a vessel which was almost identical in size and capacity with one which years ago had been declared inadequate. Of the 12 postmasters in the Aleutian Islands, all but one had indicated that service by this particular contractor had been unsatisfactory, yet the Post Office Department maintained that they had never received any complaints.

Consequently, I cannot help but feel that a substantial part of the postal deficit may result from practices such as this and ill-advised policies under political management.

However, Mr. Chairman, my problem has been also one of trying to decide in my own mind which of the respective

proposals, if any, I could justifiably support, either the bill that was reported out of committee last year, H.R. 7927, or the administration's proposed amendment known as the Murray bill.

At the outset, let me say that H.R. 7927 as reported by the committee last year contains the so-called Cunningham amendment, which would reinstate the ban against distribution of Communist propaganda from abroad. In other words, on March 17, the Kennedy administration lifted the ban which had been ordered by President Truman and continued by President Eisenhower on unsolicited Communist propaganda being distributed at the expense of the American taxpayers in the United States. Personally, I favor the Cunningham amendment to the degree, and regard it as so important, that I cannot and will not vote for any bill that does not contain it, so if the Murray bill is offered as a substitute and no provision is made to ban Communist propaganda, I shall vote against the entire bill.

I have heard, Mr. Chairman, that the political situation is such that the high rates in the Murray substitute are favored by the administration under a plan whereby when this legislation goes over to the other side of the Capitol and is considered by the Senate, these rates will be cut back. Of course, Mr. Chairman, I would not infer that the administration was ever politically motivated or would stoop to such a scheme to help one of its favorite sons whose political fences may need mending. I, for one, Mr. Chairman, do not propose to aid or abet any such plan, if actually there is one, but disregarding such an undocumented allegation, I think that there is a real argument in favor of the committee bill as against the Murray substitute. Admittedly, it would not have such dire and adverse effects on certain businesses that use the mail almost completely. I have been told by representatives of the Post Office Department that the Murray substitute would put a great many small enterprises out of business, while H.R. 7927 would be less harsh by putting into effect modest increases in rates over a period of 3 years.

Mr. Chairman, I frankly do not know at this time how I am going to vote but I do want to make clear that neither bill seems to afford adequate protection to certain third-class postage users and I expect to support an amendment for a new type of bulk third-class rate for regular publishers who mail their publications at intervals as frequently as 26 times a year. This amendment, I understand, will be introduced by our colleague from Maryland [Mr. MATHAIS] and would save weekly newspapers across the Nation from being put out of business. I believe that the Post Office actually makes a profit by delivering weekly newspapers by third-class mail, because the newspapers themselves do all the preparatory work.

Mr. Chairman, as I have been informed, the administration proposal for postage increases anticipates a surplus even after allowing for a pay raise for postal workers. Now, I am the last one to object to surpluses, but I cannot feel

that there has been enough thought given as to the adverse effect on business of this legislation. Of course, I have in mind that 75 percent of first-class postage is paid by businesses which in turn is tax deductible. Therefore, it seems obvious that three-quarters of the reduction in the postal deficit in the first-class category will be substantially offset by lower income taxes. Then in turn the deficit in the second and third class is all business, so again, approximately 52 percent of the postal rate increases would be offset by lower income taxes. Consequently, the overall net return to the U.S. Treasury by this legislation is not nearly as impressive as the administration would have us believe.

As for my position, Mr. Chairman, I want to reemphasize first that I am unalterably opposed to any bill that does not contain the provision to ban Communist propaganda from abroad being delivered by the Post Office Department.

Secondly, I cannot vote for a bill with provisions so harsh that it would make it impossible for many small businesses to survive. As the debate proceeds today and after amendments are offered, I shall diligently try to determine the merits of the final version of this legislation. Then, if I can in all conscience do so, I shall support legislation to increase postal rates on a fair and reasonable basis. Otherwise, I shall be forced to vote against the bill on final passage.

Mr. GROSS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROUSSELOT].

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the Murray substitute amendments, though I would have preferred, myself, to support the committee bill, known as the Henderson bill—H.R. 7927—which I think was a more adequate bill.

Mr. Chairman, I am especially pleased to see that we have maintained what has become known as the Cunningham anti-Communist literature section of the bill. Last year I introduced here in Congress H.R. 9455 which was very similar to the section which the gentleman from Nebraska [Mr. CUNNINGHAM] has succeeded in placing in the bill voted out by the Post Office and Civil Service Committee and which the gentleman from Tennessee [Mr. MURRAY] has also included in his substitute provisions. I was privileged to have the opportunity to cosponsor with the gentleman from Nebraska [Mr. CUNNINGHAM] this particular section known as section 11 at the time the committee bill was being put in its final stages in executive session. This anti-Communist mail provision will go a long way in allowing the Post Office Department and the Attorney General to prevent the continued influx of large amounts of Communist literature into this country which in many cases is directed to our youth, various church groups and other fine American segments of our society which do not realize that it is, in effect, poisonous Communist literature.

Mr. Chairman, this literature reflects the technique that the Communists constantly use, at the expense of the tax-

payers of our country, in trying to mentally condition our citizens to accept their insidious propaganda.

I believe that the gentleman from Nebraska [Mr. CUNNINGHAM], the gentleman from Tennessee [Mr. MURRAY], myself and others have done a great deal of research to be sure that there are adequate built-in protections to prevent unreasonable censorship. This anti-Communist literature section provides for a proper method of screening this literature through the Attorney General's office at the various ports of entry in this country. There are over 50 ports of entry and unless Congress takes this strong positive action, the screening process will only continue on a very loose basis in a small number of these ports of entry. This provision in the bill places the responsibility in the Attorney General's office to set up adequate facilities to screen out and identify Communist propaganda entering this country and yet does it in a way that constitutional rights are protected.

Mr. Chairman, I heartily support the Cunningham-Roussetot section of this bill, and I believe that the Committee on Post Office and Civil Service has shown great wisdom in including it in the bill. I am also glad that the gentleman from Tennessee [Mr. MURRAY] in his wisdom has decided to include it in his amendments.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MORRIS K. UDALL].

Mr. MORRIS K. UDALL. Mr. Chairman, I am happy to see the bipartisan support for the amendment to be offered by the chairman of this committee. I think this is as it should be, because his amendment is essentially the proposal that President Eisenhower urged on the House and the Senate for many years.

Mr. Chairman, we are faced with a deficit—call it what you will. The plain fact remains that the Post Office Department takes in less, by \$900 million every year, than it has to pay out. This, like the unwanted cat, is going to be on our doorstep unless we do something about it in this debate.

One of the interesting things to me about this proposal is that no one is happy about it. I do not think there is a Member of the House who says that "this is the bill just the way I want it." I agree with the gentleman from Virginia and others who would go further in the increases on the second-class and third-class mail. The first-class users point the finger at second- and third-class users and claim they are getting an unfair break. The third- and second-class users say, "You are putting us out of business, put the increase on the first class."

To me this is some indication that maybe we have a fair bill, when none of the various people who are asked to pick up a share of the burden are happy about it.

Mr. Chairman, I have been deluged, as the other Members have been, with these black-bordered ads announcing the late departure from this world of 80 magazines. I feel somewhat like a mortician today. My face is not always this



long, but they have brought tears to my eyes. I do not quite know where to send the flowers or where to find the widows to whom to extend sympathy. But I will say to these people that there were 110,000 bankruptcies in this country in 1960. They do tell you in small print under the asterisk in this ad, that these are not magazines alone which have died, these are deaths and mergers. That is what they tell you in the small print. The newspapers and magazines are accustomed to give lectures on the benefits of a free enterprise society. I would say to them that this is a free enterprise society. If you have six drugstores in a community that can only support three, three of them are going to go under and the ones that remain are the efficient ones, the ones for which there is an economic need.

I do not want to sound harsh. It is harsh on the people who lose jobs; who have to go out of business. But none of us in this country, as long as we have this economic system, is guaranteed a job or that his business will succeed.

To my friends who support the first-class users and say we should not go higher, I say to you that a first-class stamp at 5 cents will be the best bargain in America. It was 3 cents in 1932. Everything else has doubled, wages and prices, but the first-class stamp has gone up only 33 percent. For 5 cents, if this bill passes, you will be able to send to any State or to any country, mail that is secret, that has priority service; and neither the President nor any committee of this House nor anyone else can open that letter. This is a real bargain. If we had no postal service and you wanted to get a message someplace you would pay much more. So I do not believe that the first-class amendment is unjustified.

Let me say to the third-class mail users that the housewives of America are tired of being the conveyor belt between the mailbox and the wastebasket. His is not a question of the special consideration we have traditionally given to newspapers and magazines; they perform an essential service in the exchange of information; they help our country to be strong. This is essentially a commercial enterprise for profit and today you only pay about two-thirds of the cost to the Postal Department for handling this mail. If the argument that the third-class interests make is good, then I suggest that they go to the man who supplies them with envelopes and tell him, "We cannot pay you \$10 per thousand, your cost of the product, or even \$10.50, so you can make a profit. We will only pay you \$6. You must take a loss so I can make a profit." Third-class mail is essentially a commercial enterprise. I do not think the argument is valid, and I say to the third-class users, even under this bill you will still be paying only 85 percent and there will still be a 15-percent subsidy to the third-class mail industry. So, Mr. Chairman, I know it is not easy to vote for additional revenues. It is always easy to hand money out with one hand or with both hands. It is hard to impose essential revenue-raising measures and, yet, we must act and we must do our duty in this instance and do what has to be done.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CORBETT. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I am glad to know that the House will have an opportunity to express itself with regard to the question of whether or not the pending postal rate increase bill should contain a provision negating the Presidential order of last year which permitted the entry into our country of Communist propaganda and the free delivery thereof by our postal system. It seems strange that while we are engaged in great ideological battle to the death with the Kremlin we should permit the free use of our postal system which together with our whole system of government the Communists seek to destroy.

I will not vote for any postal rate increase measure unless it contains language which will prohibit the free use of our postal facilities for the distribution of Communist propaganda. Whether or not I vote for any rate increase bill will depend upon the manner and degree in which rates are increased, but in any event the bill in its final form must contain the above provision so far as I am concerned.

Mr. CORBETT. Mr. Chairman, I yield to the gentleman from Washington [Mr. HORAN] for such time as he may desire.

Mr. HORAN. Mr. Chairman, nobody denies the need to bring this unwieldy Post Office deficit under control and, of course, the main directions we must move in are just rate increases and reduced costs of operating the Post Office Department.

However, to me, the overwhelming persuasion is the forthright section of the bill which allows un-American propaganda from all over the nonfree world to be carried free in this country.

That this arrangement is not reciprocal in its operation merely adds greater conviction to any decision in this matter.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, since the bill before us differs substantially from the proposal originally placed before the House, I feel it necessary at this time to clarify the issue. Regardless of any statements made by the Post Office Department or their congressional spokesmen here this afternoon, the bill before us will not effectively balance the Post Office operations.

The public service feature of the bill is purely fictional and basically deceives the public into thinking that through this postal rate proposal, we will end the Post Office deficit.

The facts are that the substitute offered by Chairman MURRAY will still leave the Post Office with a deficit in the vicinity of \$300 million. In addition, the longevity bill vetoed by the President last fall has been reintroduced and when passed on the heels of a rate increase and approved by the President, will add over \$60 million to the cost of postal operations.

In addition, this being an election year, a salary increase for Post Office employees is a certainty. Bills have been introduced calling for a 14-percent increase, which would cost the Post Office \$490 million. Even if we could assume that the increase will be restricted to approximately 7 percent, the combination of increased costs plus the deficit that remains if the bill before us is passed in its entirety, will still leave the Post Office with a deficit of \$600 million.

I insist that we tell the public the truth that we are raising rates on first-class and airmail since this is the path of least resistance. The increase in second- and third-class mail and the non-legislative adjustments in parcel post are token measures in comparison to the 25-percent increase that the users of first-class mail will bear.

Mr. Chairman, the public would not object to an overall increase in postal rates if the end result is the elimination of the postal deficit. After all, the deficit comes out of their pockets as taxpayers, but I do believe that the Congress should provide the public, as I have indicated, with a clear explanation that despite the postal rate increase, our Post Office Department will continue to operate under a substantial deficit at the expense of the American taxpayer.

Personally, I feel that we would be following the wisest course of action by substituting the provisions of H.R. 6418, the original amount requested by Postmaster General Day. This would raise an additional \$140 million in revenue. If we would then continue on a consistent path and develop practical salary increases based on performance and job standards, we could keep the Post Office deficit within minimum figures.

Obviously, I stand in a hopeless minority when taking this position since it is apparent that the temper of the Congress this year will be to restrict the rate increase, expand the postal salary increase, leaving as the end result a continued deficit of at least \$600 million.

However, another aspect of this bill before us deserves as much if not more attention, and that is the Cunningham amendment to prevent the flow of Communist propaganda into the country through the U.S. mails. I have personally investigated this Communist propaganda and have spoken with dozens of recipients who have received this unsolicited mail containing glorious descriptions of Communist accomplishments and sharp criticism of the United States and its free world allies.

There is no reason whatsoever why the U.S. mail should be the vehicle for delivery of this Communist propaganda. I am most hopeful that the House will insist on the inclusion of this anti-Communist amendment in any postal rate increase proposal which passes this year. To delete this provision, either on technical grounds or under the argument that another bill will serve the purpose, would not be solving the situation, and would most certainly be working against our best interests.

Therefore, Mr. Chairman, I urge that we maintain the restrictions against the delivery of Communist mail as proposed

by the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. Chairman, the issue before us seems to be fairly clear. Everyone would like to do something about the postal deficit. Everyone has a slightly different formula. I am afraid in the debate over various formulas and in the debate over who shall and who shall not bear the burden of the Post Office deficit, we may forget one fundamental fact: that the Post Office deficit is taken from the pockets of the American taxpayers. We ought to relieve the taxpayer of this burden or tell the taxpayer that we are going to continue to stick him with a growing and consistent deficit. What we are doing here this afternoon, under the latest Murray proposal, is to continue a deficit of approximately \$260 million. When we will add, in this present congressional session an increase in Post Office salaries, and when we will pass the longevity bill which the President vetoed in October, we will wind up with a new and recurring deficit in the vicinity of \$600 million. I do not believe we have any right to foist on the American public an increase in first-class and airmail rates under the guise of ending the deficit when, in effect, we are perpetuating it. I believe the best bill before the Congress is the original bill which the gentleman from Tennessee [Mr. MURRAY] introduced back in March, the original bill which Postmaster General Day requested. This would raise an additional \$140 million and would be of much more substantial effect in cutting this deficit. The American public will not object to paying 5 cents for a first-class letter and 8 cents for an airmail letter, if they know that the deficit had been ended. We are guilty of hypocrisy if we put through this postal rate increase and turn to the public, saying, you must pay increased postage because we are ending the deficit and then when we juggle the accounts each year, and when we use the gimmick of the postal public service feature and the postal salary increase and all the other things that enter into it, we will still tax the public with a \$600 million deficit.

When Postmaster General Day appeared before our committee in the spring of 1961, he submitted a proposal almost identical to the rate increases advocated by his predecessor, Postmaster General Summerfield. I believe it is an ironic, yet revealing, situation that we see here today, the majority party forcing their Postmaster General to abandon a proposal of fiscal responsibility to accept a watered-down version of a rate increase which fails to eliminate the deficit and, as I have pointed out, deceives the public. This action on the part of the House Democratic leadership, in the expected coordination with the Senate Democratic leadership, is political hypocrisy of the worst kind. Obviously, I, as a member of the minority party, am in a hopeless position if I fought to reintroduce an amendment calling for the Postmaster General's original request. Therefore, I will reluctantly support Mr. MURRAY's pending amendment as the lesser of two evils and sweetened only by reluctant acceptance that the admin-

istration forces now give the anti-Communist propaganda provision. However, should the Senate refuse to include such an amendment and should it be rejected by a conference committee, I serve notice at this time that the battle will be fought here on the House floor to put into effect this amendment to stop the flow of free delivery of Communist mail.

Mr. Chairman, I yield back the balance of my time.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I am torn between conflicting emotions as I consider this bill. As most of you know, this is a subject in which I have been deeply interested for many years. When I first came to the Congress 17 years ago I was placed on the Post Office and Civil Service Committee. Shortly thereafter I was transferred to the Appropriations Committee, and for the past 12 years I have been serving on the Post Office Appropriations Subcommittee.

I am one of those who feel that the users of the mail should pay their way. I believe that every class of mail should pay its way. We are not engaged in a philanthropy in running the post office; we are engaged in a public service, and the people of this country have the right to demand that this service be performed efficiently and economically. But it is a special service that the users of the mail receive and I have never believed that the taxpayers of the Nation should be called upon to pay for that service.

The Murray substitute is very much better than the bill reported by the committee, and I fear that if we do not adopt the substitute we might get worse. I must confess, however, that there are certain features of this bill that I do not like. One of them is that certainly—and I do not believe anybody will dispute it—we do have a tremendous deficit, as we all know; it now approaches \$800 million a year in the postal service. To make up that deficit we are putting most of the burden on first-class mail, which is already paying its way. That, in my judgment, is not the proper way to make up the deficit. I think we ought to put higher rates on second- and third-class mail that are not paying their way, rather than on first-class mail.

Just a few moments ago reference was made to the gimmick of public service. That is a highly complicated problem. I agree that the users of the mail should not be required to pay for the cost of service that the Government gives away, but when you begin to determine the proper measure of public service that is a very difficult problem. The entire postal operation is a public service—if it were not the Federal Government would have no business in it—if it is not a public service it ought to be handled under our system of free enterprise—but when you begin to pick out certain types of the service and say "This is public service" it seems to me the only thing you can do is to say "We will classify as public service the preferred service which the Government gives to favored users of the mail." How would you measure that free service? It seems to me that you would

measure it on the basis of revenue foregone. There are two theories.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. GROSS. The Congress has already established that in the act of 1958.

Mr. GARY. That is correct; and, what is more, they left it to the Congress each year to determine what the amount should be. This bill would take that right away from the Congress, fix a set amount not on the revenue foregone basis but on the total loss or total cost basis.

Let us take a situation of this kind: We give free service to the blind. What are we giving them? We are merely giving to them the difference between the free service and the amount a non-preferred user would pay for that service. For example, suppose the blind send a package which would cost 10 cents to deliver, and suppose the other users of the mail, the nonfavored users, would pay 5 cents to send that same package—the Government would be giving the blind a preference of only 5 cents and not 10 cents as fixed in the Murray substitute.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. GARY. Mr. Chairman, will the gentleman from Tennessee yield me more time?

Mr. MURRAY. I have but 1 minute remaining.

Mr. CORBETT. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. MURRAY. Mr. Chairman, I yield the gentleman 1 minute.

The CHAIRMAN. The gentleman from Virginia is recognized for 2 additional minutes.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. CORBETT. I just want to tell the gentleman briefly that we did in the act of 1958 specify the items that were to be classed as public service. That was a law passed by both branches of the Congress, and did it not specify it should be on the total loss basis not the revenue foregone basis?

So that the gentleman should not be bewildered as to what the law is.

Mr. GARY. The law left it within the discretion of the Congress to determine each year the amount to be appropriated to cover special services, and we have done it each year since that time.

Mr. CORBETT. The gentleman and his committee decided that the Congress did not know what it was talking about when they said the total loss and you appropriated on the basis of revenue foregone.

Mr. GARY. The Congress has appropriated on the basis of revenue foregone. Our committee did not say that the Congress did not know what it was talking about. The fact of the matter is the House did not have an opportunity to pass on that question when the law was passed in 1958. When the bill left the House it contained no reference to public service. The provision was inserted in the other body. The bill came back to the House and the conference committee



agreed to it because it left the amount to be determined each year by the Congress. I would much prefer that it remain that way.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I do not know of any legislation in recent years to come before the House that has been attended with more backing and filling than this proposal. After the short recess we had last fall, due to the extensive use of the Thursday to Tuesday club last year, we were confronted, when we came back, with a new bill, although we had a committee bill in the House which was previously supported by the chairman of the Post Office and Civil Service Committee. That bill was then so satisfactory to Mr. MURRAY that he demanded and obtained a closed rule in an effort to get the bill through quickly. Apparently the administration was equally satisfied with the bill last fall.

So we come back in January to find the chairman sending letters to members of the committee referring to an amendment, in the nature of a new bill which he proposed to offer.

I assumed this printed proposal that I hold in my hand was what we would be considering today. But, lo and behold, apparently something else is going to be offered. Frankly, I do not know where we are today. If Members can legislate properly in this climate there is not much need for a Post Office and Civil Service Committee. I am intrigued by all of the concern I have heard expressed today about deficits. Billions are voted for foreign aid and the same Members make no mention of a deficit. But when it comes to a postal rate increase, the deficit is the main topic of conversation. The gentleman from Virginia [Mr. BROUHILL] is concerned about the taxpayers and the postal deficit. I would remind him of the bridges that have been and are now under construction across the Potomac River, bridges that the taxpayers of the whole country built for the people of Virginia. Those contribute to the debt and deficit of the Federal Government.

Mr. Chairman, it is my understanding that the committee bill, taking into consideration the writeoff for public service, will produce a surplus of \$146 million annually. Am I not correct in that, Mr. Chairman? Silence must indicate confirmation.

And the gentleman's bill, if I am able to even make an estimate of what he is about to offer to the House by way of an amendment, will provide a surplus in the second year, when the rates are fully effective, of \$122 million. I thought the House was setting out here to put the Post Office Department on a balanced budget basis; that Congress is not in the business of accumulating profit from the operation of the Post Office Department. What is the purpose of the \$122 million surplus in the proposed amendment to be offered by the gentleman from Tennessee [Mr. MURRAY]? Why the surplus? Are we being asked today to provide for a pay increase when no consideration whatever has been given to a pay in-

crease bill? What is this surplus for? Does anyone know? One of the top officials of the Post Office Department, a year ago, promised in a speech to provide economies totaling \$300 million in the operation of the Post Office Department. Now, add \$300 million to a surplus of \$122 million and you have a lot of money other than for collection and distribution of mail. I am opposed to the amendment to be offered by the chairman of the committee, with the increased rates he proposes. Let us go back to the committee bill, and send that to the Senate.

Let me say to the Republican Members of the House that the minority of the Committee on Post Office and Civil Service tried last week to get two executive committee meetings, with Department officials before the committee, to tell us why this sudden shift from the pending bill to the proposed Murray amendment in the nature of a substitute. We got absolutely nowhere; we were flatly refused and so we are here today with no explanation of why, in less than 6 months, the House is called upon to increase postal rates above the pending bill by \$70 million.

Mr. MURRAY. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER. Mr. Chairman, I really wish we could face up to this problem of raising substantially the rates on third-class mail, the so-called junk mail, because one out of four pieces of mail now is third-class mail. The volume of this mail has gone up since 1928 over 300 percent. At the appropriate time I intend to offer an amendment which will increase the rate on single pieces of third-class mail from 3 to 3½ cents, and raise rates proportionately for other than nonprofit organizations.

You know, I got a letter the other day from a fellow who said he could not understand how we here in the Congress of the United States, in conscience, at the last session of the Congress, could extend our franking privileges to cover occupant mail in cities and then turn right around and raise first-class rates. Well, I cannot understand it either and I know that lots of my colleagues are in the same boat. That is something that has not been mentioned here today. But I think it is a very, very serious and pertinent question. The people will understand the necessity for raising first-class rates if we really make a genuine effort to raise rates on junk mail.

Under the Murray amendment, first-class and airmail increases would provide 80 percent of the additional revenue from rate increases, while only 20 percent would be borne by other classes of mail. So passage of the bill as proposed would perpetuate the inequities of the present postal rate structure.

It is true that there have been rate increases on third-class mail in 1959, 1961, and in the current bill and Murray amendment, but even with these increases third-class mail revenues are still below the cost of handling.

There has been a lot of bleeding by third-class mailing organizations who claim that billions of dollars are invested

in the direct-mail industry, and many people would lose their jobs if Congress should raise third-class mail rates. The lobbyists are swarming around Capitol Hill, and the big organizations that say they are on the verge of bankruptcy are placing full-page ads in the newspapers. Where do they get the money to place these ads? Where do they get the money to keep these lobbyists on their payrolls? When you figure it out, they are paid for by the taxpayers as part of the subsidy which the third-class mailers receive.

The average citizen who uses first-class mail has no organized lobby out pounding the corridors for him. The average citizen cannot afford to place full-page ads in the newspapers and start a big propaganda campaign. But it is up to us as Members of Congress and it is our obligation to stand up and fight for every man who has blown his top at the amount and worthlessness of junk mail, and who has had just about more than he can take when he figures he has to subsidize this junk.

To make a long story short, I hope that when I present my amendment it may receive some support from my colleagues who want to see justice done for the oppressed citizen with the over-stuffed mailbox, not to mention the overburdened mailman.

Mr. CORBETT. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, there are a number of inequalities in this bill which to me, and I am sure to many Members of the House, are rank injustices to many small and some large users of the mails. The amendment which is to be proposed and I shall support it wholeheartedly, I refer the amendment to abolish the Communist propaganda free mail.

Mr. Chairman, one of the inequalities in this bill is that a heavy magazine can be shipped from Boston for example to San Diego, for the same price as a shopper's guide, a lightweight little paper mailed within a county for 2½ cents. If that is not an inequality then that word should be stricken from the dictionary. I agree with the gentleman from Iowa [Mr. GROSS], that there must be something wrong with some Members' thinking when we spend on an average of over \$3.5 billion a year in the giveaway program to foreign countries and we are today spending the taxpayers' money to the tune of about \$16 billion a year for Federal personnel just to be governed from Washington, D.C. In face of that we come here and shed great elephant tears about spending little comparatively speaking to carry on mail service, which is of great benefit and service to the people.

Mr. Chairman, I certainly hope that we can get at least some of these glaring inequalities taken out of this bill before the final vote comes, and I shall certainly support amendments to do so.

Mr. CORBETT. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, when the annual postal deficit was some \$600 million under the administration

of a Republican President and that administration sought rate increases to reduce the deficit, I supported the recommendation.

A considerable number—indeed, a decisive number—of my Democratic colleagues could not see their way clear to go along. So nothing happened. And the deficit grew.

Now that the deficit is in excess of \$830 million, I cannot find any valid basis for reversing my position in support of rate increases—least of all because this is a Democratic administration which now recommends a rate increase.

It seems to me that as a matter of consistency instead of deserting my own past position, I should be a member of the welcoming committee to greet some of the Democratic converts to the cause of postal rate increases. Having mentioned the matter of consistency, let me say that I make no claims of surpassing the consistency—or the consistent rightness—of the distinguished chairman of the committee, the gentleman from Tennessee [Mr. MURRAY].

The gentleman from Tennessee supported the rate increase under the past administration; he supports it now; he has been and remains firm in his adherence to principle. I am honored to associate myself with the distinguished chairman in this fight as I have in the past and I hope that the Members of the House on both sides of the aisle, and regardless of their individual views on this issue, will recognize and honor the stalwart consistency and courage of the gentleman from Tennessee and I hope that a majority of my colleagues will rally to his support and to the support of the Murray substitute amendment.

Now permit me to offer one or two rather broad observations regarding this subject of postal rate increases.

My first observation is that the real issue involved is very simple and very clearcut: Do we have the right, either as a matter of moral principle or sound economics, to pass a portion of our postage bills on to our grandchildren and our great grandchildren?

It is that simple.

And that is precisely what we have been doing.

Approximately one-half of the national debt increase since World War II is attributable to the postal deficit. Of course, that proportion would be somewhat reduced if the public service allocation proposed in the Murray bill were applied to the past postal deficits. But the fact and the principle remain.

The truth is that we are not only passing a part of our postage bill on to our grandchildren and great grandchildren, but we are also requiring them to pay interest on our postage bills.

I think that is unconscionable. I think that is a national scandal. I think that is a disgrace.

My second observation is that I know of no issue which seems to evoke the number and variety of expedient, popular, convenient, and self-serving allegations and alibis as to why we cannot, or should not, do anything about it. And I might add that the alibi makers have been unusually prolific in the current campaign against any rate increases.

Let us take a look at some of the roadblocks which are being thrown up against the rate increase.

First. There is, of course, the inevitable "Let George do it" argument.

This argument is employed, in varying degrees, by each class and category of mail users. They favor eliminating or reducing the postal deficit but they want the other classes and categories of mail users to do the job.

Perhaps the most popular form of this "let George do it" argument is directed against third-class mail and specifically against so-called junk mail. The popular and completely unrealistic argument runs to the effect that if the rates on this type of mail were raised to where they ought to be, it would take care of the deficit. Of course this is simply not true. The entire revenue deficiency of third-class mail is \$265 million. The total deficit is \$830 million plus. If rates for third-class mail were increased to absorb this total deficiency, one of two things—or a combination of the two—would occur. Either third-class mail would be priced out of the market or rates would be brought to a point which would require first-class preferential service for third-class type of mail.

The same principle applies to a rate increase which would absorb the \$350 million revenue deficiency of second-class mail, and those who are now voicing such anguished protests against a reasonable rate increase would certainly have valid grounds for claiming that the Government was bent on their liquidation.

Those who object to the proposed \$437 million increase in first-class rates ignore another basic fact. This increase would bring first-class revenues to 127 percent of basic allocated costs. This ratio is still below a past high of 140 percent and, of course, is in line with the historic recognition of the preferential treatment of first-class mail.

The "let George do it" argument is, of course, the sure road to stalemate. Its logic and its purpose is a do-nothing policy, and that, of course, is exactly what the advocates of this position want. The only solution is as equitable a distribution of the rate increases between the several classes of users as possible. That, in my judgment, is precisely what the Murray amendment does.

The unpopularity of any form of taxation is nothing new. George Washington summed it all up in his farewell address:

Toward the payment of debts there must be revenue; to have revenue there must be taxes; no taxes can be devised which are not more or less inconvenient and unpleasant.

Second. The second roadblock to any action on the postal deficit is the argument which the magazine publishers' lobby and the third-class-mail users' lobby have been extensively promoting the last few days in full-page advertisements in Washington newspapers.

It is the cry of poverty.

It is the claim that the proposed rate increases will put the publishers and the third-class-mail users out of business.

To this line of propaganda there was added this morning a full-page ad of the

International Printing Pressmen and Assistants Union of North America, AFL-CIO, with the horrendous title "A Vote for Unemployment?"

I am not clear from these ads whether the argument is that any rate increases will put them out of business or only the increase provided in the Murray amendment. I am not clear from these ads whether there is a compromise figure somewhere between no-rate increase and the Murray amendment proposal which the publishers' lobby and the third-class-mail users' lobby would find tolerable.

I shall be very interested to see whether any Member of the House will offer an amendment providing for some such compromise figure. I am advised that the parliamentary situation affords the opportunity to offer such an amendment and I am most curious to see whether it will be forthcoming.

There is, however, one aspect of this campaign to frighten Members of Congress into voting against the Murray amendment which I believe needs to be pointed out.

Believe it or not, postal rates are by no means the only production costs for either publishers or third-class-mail users. And believe it or not, postal costs are not the only costs that have increased in recent years. In fact, those increases have been substantially less than other production cost increases.

I think it comes with particularly ill grace that an AFL-CIO union attacks the rate increase proposal as "a bill to put us on the street." I have no quarrel with the efforts of organized labor to better the economic status of workers. I have a decided quarrel, however, with the kind of argument which attempts to place the entire burden of responsibility for the economic problems of any industry on the matter of postal rates, and totally ignores the possibility and the fact that exorbitant wage increases can also put businesses on the rocks and be a vote for unemployment.

When we return to the House I shall ask unanimous consent to place in the Record a chart showing comparative job pay rates in the magazine and newspaper industries for the years 1940, 1957, and 1960. These figures were provided me by the Department of Labor. They tell their own story.

Third. Another popular device for stalemating action on postal rates is that of injecting totally extraneous issues.

The same AFL-CIO page ad in this morning's Washington Post indulges in this device.

It refers to the fact that during the last 10 years, when it is alleged 100 U.S. magazines stopped publication, "we were giving Comrade Tito, of Yugoslavia, \$2.5 billion" and "we were providing Gomulka of Poland with nearly \$1 billion."

Now, I have always opposed this kind of foreign aid folly. However, I recall no full-page paid advertisements by the International Printing Pressmen and Assistants Union of North America, AFL-CIO, in opposition to this criminal folly when it was pending before this House. Where were those now vocal opponents of this foreign aid when it was an actual issue before the Congress?



Is foreign aid for Iron Curtain countries a pressing and relevant issue only when postal rate increases are under consideration?

Fourth. Still another roadblock is the perennial argument as to the amount, if any, which should be designated and allocated for public service.

For 7 years, as a member of the House Committee on Post Office and Civil Service, I have been bludgeoned with arguments by representatives of the publishers and third-class mail users lobbies that the factor of public service should be recognized in any appraisal of the postal deficit and in any process of postage rate fixing.

Repeatedly, I have heard these lobbyists say that if such a public service allocation were allowed, they would then be willing to accept a rate increase.

I am for calling their bluff. I am against buttressing and perpetuating this argument by futile and frustrating wrangling over the amount or formula for such a public service allocation.

I find no acknowledgment in the current flood of propaganda advertisements of these lobbyists that for the first time recognition is given to the public service item. So far as I am concerned, this silence is an acknowledgment that this argument is, and always has been, a phony, and that their commitment on this matter was not made in good faith.

Fifth. Let me mention one final roadblock which is being thrown in the path of any postal rate increase. I refer to the matter of a possible—if not certain—postal pay increase.

The argument is to the effect that we should not increase postal rates because it will make it easier to secure a pay increase.

Let me say first of all that those of my colleagues who offer this argument cast a serious reflection—quite unintentional I am sure—on the capacity of this House to render a prudent and reasoned decision on the subsequent independent issue of pay increases for postal employees.

Their argument seems to be that if we put our fiscal affairs in some kind of order by reducing or eliminating the postal deficit, we will have an irrefutable compulsive urge to start building another deficit. I happen to have a little higher opinion of my colleagues.

The simple truth is that if we have a postal pay increase, it will either be because there are valid reasons for it or because there are political pressures for it. It may be a combination of both. If we have that postal pay increase without any postal rate increase, we will simply be compounding the evil of the postal deficit.

I have long been one of those who has argued that increases in postal operations costs—including increases in pay for postal employees—should in all honesty and as a matter of fiscal prudence be matched by increased revenues.

I can conceive of no greater inconsistency than the argument that we should not increase postal rates—which increase by the way is in part for the purpose of offsetting past postal pay increases—

simply because there may be now or hereafter some subsequent pay increases.

The issue before us remains what I stated it to be at the outset—whether we are going to continue to pass a part of our postage bill on to our grandchildren and our great grandchildren and whether we are going to embrace any alibi we can dream up for doing nothing about it.

The chart follows:

Average hourly pay rates in the printing industry

| Job                      | 1940   | 1957   | 1960   |
|--------------------------|--------|--------|--------|
| <b>COMMERCIAL WORK</b>   |        |        |        |
| Booking jobs.....        | \$1.13 | \$2.77 | \$3.08 |
| Bindery women.....       | .53    | 1.64   | 1.87   |
| Bookbinders.....         | 1.03   | 2.83   | 3.18   |
| Hand compositors.....    | 1.23   | 3.07   | 3.37   |
| Electrotypers.....       | 1.43   | 3.30   | 3.64   |
| Machine operators.....   | 1.27   | 3.07   | 3.37   |
| Machine tenders.....     | 1.29   | 3.05   | 3.36   |
| Mailers.....             | 1.08   | 2.45   | 2.96   |
| Photoengravers.....      | 1.57   | 3.56   | 3.94   |
| Press assistants.....    | .95    | 2.49   | 2.75   |
| Cylinder pressmen.....   | 1.25   | 3.04   | 3.33   |
| Flat pressmen.....       | 1.03   | 2.74   | 3.02   |
| <b>NEWSPAPERS</b>        |        |        |        |
| Stereotypers.....        |        | 3.29   | 3.70   |
| Hand compositors.....    | 1.38   | 3.22   | 3.49   |
| Machine operators.....   | 1.39   | 3.24   | 3.52   |
| Machine tenders.....     | 1.37   | 3.24   | 3.53   |
| Mailers.....             | 1.00   | 2.88   | 3.19   |
| Photoengravers.....      | 1.71   | 3.51   | 3.82   |
| Journeyman pressmen..... | 1.29   | 3.23   | 3.52   |
| Pressmen in charge.....  | 1.43   | 3.51   | 3.83   |

Mr. MURRAY. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Chairman, I just want to remind the House of a little of the history of postal rates so that we will know what we are talking about here today.

First of all, the committee did come out with a compromise bill that did raise second- and third-class mail rates. The bill was not perfect. It was the best we could do in committee. Let us not forget that in 1926, the third-class rates were raised from 1 cent to 1½ cents and then Congress had to come back in 1928 and changed it back to 1 cent. In 1932, as the older Members of the House will remember, the Congress raised the second-class rates and in 1933, they had to come back and change them back to what they were in 1932.

Mr. Chairman, the Murray amendment, if adopted, is going to defeat the very thing that the Post Office wants and that the present administration wants. The President the other day said that he was very happy over the fact that there were a million more people working in this country than were working last year and the year before last. If you adopt the Murray amendment, those million people, if not more, are going to be out of work and I mean that sincerely because if you raise the third-class mail rates from 2½ cents to 3 cents, as is proposed here or to 3½ cents, as has been proposed by one of the Members, there will be no more third-class mail. If you raise the rates on second-class mail too high, you will destroy the very basis of America and that is the many small businessmen. If you believe in small business, do not vote for the Murray amendment.

The Murray amendment is going to take income away from the Post Office Department and it will take income away from the Federal Treasury, and it will not increase the income. Yes, there will be an increase in the first-class mail revenue, that is true. Some money will come from that source. But I just want to remind the House that the compromise bill which came out of committee last year was a very good compromise. I am one of those who believes that you should pay your way, but when you increase rates too rapidly and too much, you destroy the very thing that you are trying to do.

Mr. Chairman, as a former member of the House Post Office and Civil Service Committee, I wish to enter a vigorous warning against the move to restore to the postage rate bill, now pending before the House, the original schedule of rate increases for second- and third-class mail recommended by the Post Office Department.

Legislation which ignores the economic facts of life about a great industry like the publishing industry, or a growing business like the mail order business, is bad legislation.

The evidence before our committee established beyond a reasonable doubt that the proposed 79-percent increase on second-class mail will deal a crippling blow to the magazine industry and place heavy economic burdens upon the already pinched small city dailies, the rural press, and the farm journals.

In short, the potential harm of the Department's rate structure far exceeds its meager benefits. There is no evidence before our committee to dispute these conclusions.

First off, the Department's rate structure, if adopted, will mean a death sentence for some of the finest publications in the land. The estimated increase in revenue of \$78 million on second-class mail exceeds the gross annual profits of the magazine industry. The added second-class mail costs will exceed the annual profits for many publications. If this seems surprising to some of my colleagues of the House, may I suggest that this surprise springs from a common misunderstanding of the nature of the magazine publishing field.

There are a few giants in the field called general interest magazines, and some of them report substantial earnings although far less than in former years. But the majority of the 6,000 privately owned journals which pay the full second-class rate are specialty magazines of limited circulation, barely able to get by financially, the continued publication of which is vitally important to their readers.

Our contention that the postage rate structure recommended by the Post Office Department will mean a death sentence, or financial liquidation, for many splendid publications needs documentation. These facts were adduced by witnesses before our committee.

As an example, the Curtis Publishing Co. has been preeminent in the publishing field for generations. It employs about 12,000 workers, and its operations

extend across the continent. It publishes among others such well-known publications as the Saturday Evening Post and the Ladies Home Journal, which over the years have become household terms to millions of Americans.

The Curtis Publishing Co. is a heavy user of the mails. In the year 1960 its total postage bill exceeded a whopping \$15 million. The rate hikes recommended by the Post Office Department would up these costs approximately \$10 million. With the present cost-price squeeze affecting the entire magazine field, no firm could survive such an increase. The only alternative would be to suspend publication, or order drastic reductions with consequent rollbacks in employment and payrolls. Such a development would reduce the tax revenue, thereby offsetting any gain in postal revenue.

It would be difficult to assess the many contributions to our cultural heritage made by Harper's magazine and the Atlantic Monthly. These publications have provided the outlet and the encouragement for some of America's finest writers. The publishers of these two magazines said the rate schedule proposed by the Post Office Department would put them out of business. Their balance sheets uphold that claim. Because of a relatively limited but select class of readers, these publications cannot offset the higher mail costs by upping prices or advertising rates.

The Catholic Digest, although nominally a religious publication, must make a profit in order to survive. Since the date of inception, its fixed purpose has been to bring home to its many readers the evils of the Communist conspiracy and the Communist way of life. A spokesman for the magazine gave this picture of what would happen under the Department's rate schedule:

It is clear that we would have only two choices; first, to curtail our operations, dismiss half our personnel, and therefore become weak and ineffective, or to continue as we are and go bankrupt.

The magazine for children was a delightful feature of family life in the early days of this century. Now it has virtually disappeared and the few surviving publications which try to live up to the splendid traditions of the past are rapidly losing ground. The publisher of three of these children's magazines, Humpty Dumpty, Children's Digest, and Calling All Girls, said his firm will have to suspend these publications if the Department's rate schedule becomes law.

In the long run, the rise of 79 percent in second-class rates may do just about as much damage to the small city newspaper, the rural paper, and the farm papers.

Mr. Guy Easterly, speaking for the National Editorial Association, which includes in its membership about 550 small town dailies and more than 5,000 weeklies, offered tables which disclosed that the Department rates would double, and in some cases quadruple, the mailing costs for these smaller newspapers. This rate hike would be heaped on publishers who have been compelled to absorb six rate increases totaling 89 percent over

the past 9 years. It is difficult to figure out what national interest would be served by putting these publishers in an economic straitjacket.

Mr. Vern Anderson, speaking for the Agricultural Publishers Association, made this comment about the Post Office Department's rate proposals:

The publishers submit that these increases by the Post Office Department are coming with greater speed, greater frequency, than their business can absorb.

Here again, it is difficult to understand what national interest would be served by piling new economic burdens on the farm publishers.

We are conscious of the fact that the operations of the postal system showed a bookkeeping loss of more than \$800 million for the last fiscal year. This is a matter for serious concern. We believe in a pay-as-you-go government wherever possible, and we subscribe to the policy that every reasonable effort should be made to make postal revenue equal postal costs.

However, the factors which go into postage ratemaking are extremely complex. There are hidden subsidies for the railroads in the annual Post Office supply bills. The postal service is still carrying a host of activities for other Federal agencies. The Postal Policy Act of 1958 said in substance that \$300 million should be charged off annually to public service, yet the Department ignored this and put public service at a much lower figure. Spokesmen for the publishers assert that a fair accounting will show that they are already paying their costs. The truth is that no one yet has been able to fix definitely the exact cost of transporting each class of mail.

The overriding consideration is that the rate schedule proposed by the Post Office Department would drive publications out of business, cause serious unemployment in the publishing industry, and take taxpaying corporations off the tax roll.

For Congress to adopt such a policy would be repugnant to justice and commonsense.

The dilemma which faces Members of Congress was frankly recognized by Postmaster General Day in these words:

The American publishing industry has been built and nurtured on the present system of very low postage rates. Only the Congress can decide to what extent this system should be modified. We believe the rate proposal before you is reasonable from the standpoint of a more equitable sharing of postal costs among the various users of the mail.

In reporting the postal rate bill to the House, the Post Office and Civil Service Committee substituted a schedule of moderate increases on second- and third-class for the stiff rates recommended by the Post Office Department. We believe it would be a mistake for the House to return to the original Department rates.

Legislation which would force the liquidation of some of the best-known business enterprises in the country is not in the national interest.

The worst thing Congress can do is to vote people out of work. And on the

evidence at hand, the postal rate bill sponsored by the Post Office Department will do exactly that.

As coauthor of the postal rate bill, H.R. 7927, now pending on the House Calendar I oppose the substitute measure which Chairman MURRAY proposes to introduce during the coming debate.

Our committee held 17 days of hearings, heard 250 witnesses and then spent many hours during 11 executive sessions hammering out the terms of a bill which will raise over one-half billion dollars.

Naturally, no one agreed with every line of the bill. Some would like no increase in first class rates. Others would like to drastically increase newspaper and magazine rates. There are honest differences of opinion on the controlled circulation rate. The miracle is that we succeeded in getting a half-billion dollar bill reported to the House floor by the decisive committee vote of 20 to 2.

My only fear is that any postal rate increases at this time might have an adverse impact on business. Certainly, we should not rashly change the terms of the bill without making certain it will not have the effect this administration is working to avoid—a business recession in any vital segment of the economy.

We are all aware that increased postage rates paid by business firms are a proper addition to the cost of doing business and have the effect of reducing income tax payments. Since 75 percent of all mail is used by business the increase in postal revenues from business mail will be offset by lower income taxes. Therefore, in my opinion, the net gain to the Federal Government from the pending bill may not exceed \$300 million. Some newspapers of America have engaged in a bitter campaign against their principal competitor, direct mail advertising. This campaign has been going on for 10 years. It has resulted in our increasing the bulk third-class mail rate 150 percent since 1952. Our committee felt that such a steep increase—150 percent—was sufficient. The third-class rate structure is complicated, but we did readjust certain pound rates, the single piece rate, the permit fee, the odd-sized piece rate, all to the end of increasing third-class postage revenues from \$532 million annually to almost \$600 million.

I hope and pray the direct mail industry will be able to survive a new round of rate increases—first, third, and fourth class, not to mention those rates on special services such as c.o.d., special delivery, insured mail, and so forth, which the Postmaster General has recently readjusted upward.

This country needs the \$20 billion of sales now generated by third-class mail. This country cannot afford to take away from any of the 1 million or more full-time employed Americans and over 3 million part-time employees whose jobs which are dependent upon the continuance of sales.

The creation by the Congress in 1928 of bulk third-class mail to keep valuable postal employees profitably occupied



during slack periods was one of the wisest decisions taken by Congress. We should not in 1962 undo the great good of that decision by further increasing the bulk rate. That rate was increased in 1952, 1959, and in 1960.

The effect of the latest increase in third-class mail was clearly reflected in the decline of volume in 1961 as compared in 1960. Total third-class was 17,568.8 pieces in 1961, a drop of 2 percent from 1960 when volume ran 17,910.2. This drop, in what has otherwise been a steady growth, indicates we may have already gone too far, too fast, in the three rate increases on third-class in the last 10 years. In my own area, the Detroit Post Office suffered a drop of more than 5 million pieces of third-class mail. This not only hurts the area economically, but will lead to a loss of jobs for postal clerks and letter carriers.

I might say that we have had no documented word from the Commerce Department regarding the impact of the 1960 rate increase. We have no official estimates on the probable impact of a further hike in the bulk rate. Until such documentation is forthcoming, the House should not entertain a rate increase which, in my judgment, would prove to be both punitive and destructive.

All increases should be on a graduated basis so as to not adversely affect any one segment of our economy.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman, since I have served in the Congress I have been a member of the Post Office and Civil Service Committee. During the last 3 years there has been an attempt made to get a responsible rate increase, and at last it seems that we may now have an opportunity to institute a long overdue increase in rates.

I intend to support the Murray amendment, but I hope also that it will be modified. I have an amendment to modify it in one particular. I hope also to support Mr. OLSEN in one of his amendments.

I would like to ask the House to consider as it votes on this legislation, that there may be an effort made in the other body to water down what we do here, and I ask that we resolve that in the conference we not recede from what we decide during the next day or two.

With respect to the amendment I propose to offer, I invite your attention to a type of circulation which cannot, by virtue of raising its advertising rates or getting another advertisement, make up the gap that is caused by a substantial increase in postal rates; I am speaking now of that type of publication that does not carry any advertising. I think special consideration is needed here, because of the very nature of these publications as they lend themselves more to an educational type of publication because none of them include advertising. The proposed increase in the Murray amendment would be 300 percent for certain of these publications that are now in existence. These publications number some 6 million in circulation. I will name one of them, the Catholic Digest, with a circulation of a million.

Children's magazines do not carry advertising, because children basically do not create markets and advertisers are unwilling to advertise in them. This is the kind of publication I am speaking about and which my amendment will benefit.

The amendment which I shall propose will double the rates on this type of publication but not triple them as the Murray amendment would. So these publishers will not get by without a substantial increase, since it will be a 100-percent increase instead of a 300-percent increase. It is our responsibility to protect these publications so that they continue to live even though we substantially increase their postal rates.

Mr. MURRAY. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, this is the first legislative business of the 2d session of the 87th Congress. It is much-needed legislation. It is important legislation. It gives the Members of the House the opportunity to make the fulfillment of important fiscal responsibilities the first legislative business of the session.

The importance of this measure cannot be overemphasized.

Last week the President submitted the largest peacetime budget in history.

That budget was predicated upon the enactment of this measure.

If we are to provide our Nation with the kind of government services which we must have in our expanding economy in this decade, and if we are to provide the strongest national defense in the history of our Nation, it is important that we maintain a balanced budget.

To that end, we must face up to our responsibility of reducing substantially our tremendous postal deficit now and for future years.

The great Committee on Post Office and Civil Service, upon which I once had the honor of serving, has reported a bill for which the gentleman from Tennessee [Mr. MURRAY], chairman of the committee, has offered a substitute.

I hope the Committee of the Whole will accept the Murray substitute.

I favor the substitute in preference to the committee bill, first of all, because it will provide more income for the Post Office Department.

It will increase additional revenues from \$551 million annually to \$621 million annually.

This legislation is desperately needed to prevent a further increase in the postal deficit, which in turn contributes substantially to the national debt.

I favor the substitute because it is based upon the philosophy that the users of the mail should pay a fair share of the cost of the service which they receive.

For the first time in history the Postal Establishment is required to comply with the break-even directive of the Postal Policy Act by determining the costs of performing public services enumerated by law and charging these costs to the general fund of the Treasury.

All other costs shall be borne by the users of the mail through the payment of adequate postal rates.

Like the committee bill, the substitute increases first-class mail charges from 4 to 5 cents and airmail from 7 to 8 cents.

But the substitute will raise \$53.4 million additional revenue in second-class mail, which consists largely of newspapers and magazines operated for profit, rather than \$21 million as does the original bill, and \$93 million additional revenue in third-class mail, rather than the committee bill's \$57.3 million.

Free-in-county second-class rates and mail rates for nonprofit and classroom publications are not affected by the Murray substitute.

This will, within the framework of raising needed additional revenue, preserve a proper relationship between first-, second-, and third-class mail, bearing in mind, of course, that first-class mail received preferential treatment and that even with the increases of Mr. MURRAY's substitute, the Post Office Department's revenues would be roughly 50 percent of cost in second class and 85 percent in third class.

I am aware that there are some who contend that the increases in the second- and third-class mail are too much, and there are others who argue that they are too little, particularly in the light of the increases in first-class mail contemplated in both the committee bill and the Murray substitute.

But I favor the Murray proposal, because I believe it to be a fair and reasonable compromise between placing the entire needed increase in revenues on the shoulders of first-class mail users, and falling considerably short, as the pending bill does, of the recommendations made by both President Eisenhower and President Kennedy last year.

I propose to support the Murray substitute and to oppose all amendments to increase or decrease the amounts contained in it. I oppose the exemption of newspapers from the increases, as my friend Mr. DAVIS proposes. I oppose it, because, first, it will cost \$21 million per year, and because it gives unqualified preferential treatment to one class of publication.

In this latter respect, let me emphasize the bipartisan nature of this endeavor.

During a press conference on June 20, 1961, President Kennedy stated:

Both the previous administration and this administration recommended nearly \$840 million of tax increase in postal payment.

Again, in his speech on the Berlin crisis, the President stated:

The luxury of our current postal deficit must be ended.

This bill, as amended by the Murray substitute, has the support of the Post Office Department. It has the support of the administration. I think a majority of the Members of the House are convinced that the postal deficit requires that we raise postal rates.

It is my earnest hope that we will do the whole job and do it now.

I urge my colleagues on both sides of the aisle, by reason of the bipartisan nature of this proposal, to adopt the Murray substitute and pass the bill.

Mr. CORBETT. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I rise to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. The distinguished majority leader said that the chairman of the committee will offer a substitute to the committee bill. My question is: Will the substitute be open to amendments at any point? How many amendments may be offered to the substitute, and will it be open to amendment at any point?

The CHAIRMAN. The proposed amendment being an original amendment will be open to an amendment at any point.

Mr. GROSS. To an amendment?

The CHAIRMAN. And a substitute and an amendment to the substitute.

The time of the gentleman from Iowa has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION 1. This Act may be cited as the "Postage Revision Act of 1961".

Mr. MURRAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY: Strike out all after the enacting clause and insert in lieu thereof the following:

#### "SHORT TITLE

"SECTION 1. This Act may be cited as the 'Postage Revision Act of 1962'.

#### "POSTAL POLICY

"SEC. 2. (a) Section 2302(c) (4) of title 39, United States Code, is amended by striking out 'deemed to be attributable to the performance of public services under section 2303(b) of this title' and inserting in lieu thereof 'determined under section 2303 of this title to be attributable to the performance of public services'.

"(b) Section 2303(a) of title 39, United States Code, is amended—

"(1) by amending the heading so as to read

"§ 2303. Identification of public services and costs thereof;

"(2) by striking out paragraph (2) and renumbering the succeeding paragraphs accordingly; and

"(3) by adding at the end thereof the following new sentence:

"The terms 'total loss' and 'loss' as used in this subsection mean the amounts by which the total allocated costs incurred by the postal establishment in the performance of the public services enumerated in this subsection exceed the total revenues received by the postal establishment for the performance of such public services."

"(c) Section 2303(b) of title 39, United States Code, is amended to read as follows:

"(b) The Postmaster General shall report to the Congress, on or before February 1 of each year beginning with the year 1963, the estimated amount by which, in the then current fiscal year, the cost incurred by the postal establishment in the performance of each of the public services enumerated in subsection (a) of this section exceeds the revenue received by the postal establishment

for the performance of each such public service. The aggregate amount by which, in any fiscal year, the costs incurred by the postal establishment in the performance of each such public services exceed the aggregate amount of the revenues received by the postal establishment for the performance of such public services shall be excluded from the total cost of operating the postal establishment for purposes of adjustment of postal rates and fees."

"(d) The table of contents of chapter 27 of title 39, United States Code, is amended by striking out

"'2303. Identification of and appropriations for public services.'"

and inserting in lieu thereof:

"'2303. Identification of public services and costs thereof.'"

#### "FIRST-CLASS MAIL

"SEC. 3. Section 4253 of title 39, United States Code, is amended by striking out the words 'four' and 'three' wherever appearing in subsection (a) and inserting in lieu thereof the words 'five' and 'four', respectively.

#### "AIRMAIL

"SEC. 4. Section 4303 of title 39, United States Code, is amended—

"(1) by striking out the word 'seven' in subsection (a) and inserting in lieu thereof the word 'eight';

"(2) by striking out the word 'five' in subsection (b) and inserting in lieu thereof the word 'six'; and

"(3) by striking out the phrase '3 cents an ounce or fraction thereof' in paragraph (2) of subsection (d) and inserting in lieu thereof the phrase 'the rate of postage for other first-class mail matter'."

#### "SECOND-CLASS MAIL BEYOND COUNTY OF PUBLICATION

"SEC. 5. Section 4359 of title 39, United States Code, is amended—

"(1) by striking out so much of subsection (b) as precedes the table and inserting in lieu thereof the following:

"(b) (1) Subject to the minimum rate provided for publications of qualified nonprofit organizations and classroom publications by section 4360 of this title, the rates of postage on publications mailed in accordance with subsection (a) of this section are fixed both by the piece as provided in paragraph (2) of this subsection and by the pound as provided in the following table: [In cents];" and

| "Type of mailing  | Rate                  | Unit  |
|---|-----------------------|---|
| (1) Individual piece.....   | <i>Cents</i><br>1 1/4 | First 2 ounces or fraction thereof.<br>Each additional ounce or fraction thereof. |
| (2) Bulk mailings under subsec. (c) of this section of:                                       |                       |   |
| (A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants: |                       |   |
| (i) Qualified nonprofit organizations.....  | 10                    | Each pound or fraction thereof.   |
| (ii) Others.....  | 12                    | Do.   |
| (B) Other matter.....   | 16                    | Do.   |

"(2) by amending the table in subsection (b) to read as follows:

"Mailed by— (In cents)  
Other than qualified nonprofit organizations..... 3  
Qualified nonprofit organizations..... 1 1/4;  
and

"(3) by amending subsection (c) to read as follows:

"(c) The minimum postage rate on pieces or packages of third-class mail of such size or form as to prevent ready facing and tying in bundles and requiring individual distribution is four and one-half cents."

"(d) The third proviso in section 3 of the Act of October 30, 1951, as amended by the

"(2) by adding at the end of subsection (b) a new paragraph (2), as follows:

"(2) The piece rates of postage are charged on each individually addressed copy of a publication (except a publication of a qualified nonprofit organization and a classroom publication) mailed in accordance with subsection (a) of this section in addition to the pound rates. The piece rates are as follows:

"Publications other than classroom publications and other than publications of qualified nonprofit organizations—1/2 cent, effective on and after July 1, 1962, and before July 1, 1963; and 1 cent, effective on and after July 1, 1963."

#### "MINIMUM POSTAGE RATES ON SECOND-CLASS MAIL

"SEC. 6. Section 4360 of title 39, United States Code, is amended to read as follows:

"§ 4360. Minimum postage

"The minimum rate of postage is one-eighth cent for each individually addressed copy of—

"(1) a classroom publication or a publication of a qualified nonprofit organization mailed under section 4359 of this title, or

"(2) any publication mailed for delivery within the county of publication except when mailed free under section 4358(a) of this title."

#### "CONTROLLED CIRCULATION PUBLICATIONS

"SEC. 7. Section 4422 of title 39, United States Code, is amended by striking out '1 cent' and inserting in lieu thereof '3 cents'."

#### "THIRD-CLASS MAIL

"SEC. 8. (a) Section 4451(a) of title 39, United States Code, is amended—

"(1) by striking out the word 'and' at the end of paragraph (2) thereof;

"(2) by striking out the period at the end of paragraph (3) thereof and inserting in lieu of such period a semicolon and the word 'and'; and

"(3) by adding immediately below such paragraph (3) a new paragraph (4), as follows:

"(4) not mailed during the period December 15 to December 25, inclusive, of each year."

"(b) Section 4451(d) of title 39, United States Code, is amended by striking out '(a) (2)' and inserting in lieu thereof '(a) (3)'."

"(c) Section 4452 of title 39, United States Code, is amended—

"(1) by amending the table in subsection (a) to read as follows:

| "Type of mailing  | Rate                  | Unit  |
|---|-----------------------|---|
| (1) Individual piece.....   | <i>Cents</i><br>1 1/4 | First 2 ounces or fraction thereof.<br>Each additional ounce or fraction thereof. |
| (2) Bulk mailings under subsec. (c) of this section of:                                       |                       |   |
| (A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants: |                       |   |
| (i) Qualified nonprofit organizations.....  | 10                    | Each pound or fraction thereof.   |
| (ii) Others.....  | 12                    | Do.   |
| (B) Other matter.....   | 16                    | Do.   |

Act of June 23, 1959 (73 Stat. 89; Public Law 86-56), is hereby repealed.

#### "EDUCATIONAL AND LIBRARY MATERIALS

"SEC. 9. (a) Section 4554 of title 39, United States Code, is amended—

"(1) by amending that part of subsection (a) which precedes paragraph (1) to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 9 cents a pound for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof, except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—



"(2) by amending paragraph (5) of subsection (a) to read as follows:

"(5) sound recordings;";

"(3) by striking out the period at the end of paragraph (6) of subsection (a) and inserting in lieu thereof a semicolon and the word 'and';

"(4) by adding at the end of subsection (a) the following:

"(7) printed educational reference charts, permanently processed for preservation;";

"(5) by inserting '(including cooperative processing by libraries)' immediately following 'loaned or exchanged' in paragraph (1) of subsection (b);

"(6) by striking out the word 'students' immediately preceding the word 'notations' in paragraph (1) of subsection (a) and in paragraph (2) of subsection (b);

"(7) by striking out:

"(D) bound volumes of periodicals;

"(E) phonograph recordings; and" in paragraph (2) of subsection (b) and inserting in lieu thereof:

"(D) periodicals, whether bound or unbound;

"(E) sound recordings; and"; and

"(8) by striking out 'and catalog of those items' in subsection (c) and inserting in lieu thereof 'scientific or mathematical kits, instruments, or other devices and catalogs of those items, and guides or scripts prepared solely for use with such materials'.

"(b) Sections 204(d), 204(e)(1), and 204(e)(2) of the Postal Rate Revision and Federal Employees Salary Act of 1948, as amended by the Act of July 14, 1960 (74 Stat. 479; Public Law 86-644), are hereby repealed.

#### "METHOD OF DETERMINING GROSS RECEIPTS

"SEC. 10. Section 711(c) of title 39, United States Code, is amended by striking out 'Public Law 85-426' and inserting in lieu thereof 'any Act of Congress enacted on or after May 27, 1958'.

#### "COMMUNIST POLITICAL PROPAGANDA

"SEC. 11(a) Section 505 of title 39, United States Code, is amended by inserting immediately after the first sentence and before the second sentence in subsection (a) thereof, the following sentence: 'In furtherance of this authority to counteract adverse usage of the mails and to reduce the domestic postal deficit, no international mail handling arrangement under which any postal rate, whether or not reciprocal, is established, shall permit the receipt, handling, transport, or delivery by the United States Post Office Department of mail matter determined by the Attorney General to be Communist political propaganda.'

"(b)(1) Chapter 51 of title 39, United States Code, is amended by adding at the end thereof the following section:

"§ 4008. Communist political propaganda

"No United States postal rate established by the Postage Revision Act of 1962 shall be available for the receipt, handling, transportation, or delivery of mail matter determined by the Attorney General of the United States to be Communist political propaganda financed or sponsored directly or indirectly by any Communist controlled government."

"(2) The table of contents of such chapter 51 is amended by inserting

"4008. Communist political propaganda."

immediately below

"4007. Detention of mail for temporary periods."

#### "EFFECTIVE DATE

"SEC. 12. The foregoing provisions of this Act shall become effective on July 1, 1962."

Mr. JAMES C. DAVIS (interrupting reading of the amendment). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JAMES C. DAVIS. Mr. Chairman, I would like to inquire as to when

it will be in order to offer an amendment to the amendment which is now being read, whether it must be offered as the section is reached in reading, or wait until the entire amendment is completed?

The CHAIRMAN. The Chair will state that the entire amendment must be read before an amendment would be in order.

Mr. JAMES C. DAVIS. I thank the Chairman.

(The Clerk concluded the reading of the amendment.)

Mr. MURRAY. Mr. Chairman, my amendment makes changes in the committee bill which fall in two general categories, and also includes section 11 of the committee bill on Communist propaganda.

First, the postal policy provisions of existing law are strengthened and improved. Second, rate increases are provided at levels which, with the new policy, will wipe out the postal deficit and provide the full amount of the additional postal revenues which are required under the President's budget submitted to the Congress last Thursday.

The postal policy provisions of my amendment correct certain deficiencies in existing law and establish a firm and proper formula for the determination each year of the costs of postal services which are truly public services and, as such, should be charged to the general fund of the Treasury under well-established principles of public policy and the national interest. Examples of such public services are free mail for the blind, free-in-county mail, and mailings at reduced rates by qualified nonprofit organizations. Applying this formula, an estimated \$248 million of postal costs for these public services will be borne by the general fund of the Treasury for the fiscal year 1963. This is about \$95 million less than the \$341 million public service charged to the taxpayers under the reported bill, which improperly designates as "public services" such historically sound, efficient, and necessary postal activities as rural routes and third- and fourth-class post offices, the cost of which it would have shifted to the taxpayers with no charge to users of the mails.

The rates in my amendment for first-class letter mail and airmail letters, as well as post cards and postal cards, are the same as those in the reported bill. Approval of these rates is imperative in order to provide the necessary measure of additional postal revenues. The first-class postage stamp at 5 cents will still be the best bargain in America. These rates are fully justified by priority of service and the absolute privacy guaranteed for a sealed first-class letter, as well as the fact that the postal service exists primarily to render the preferred first-class mail service to 181 million Americans.

The first-class letter increase from 4 to 5 cents is only a 25-percent increase, and the airmail letter increase from 7 to 8 cents is only a little over 14 percent. The first-class letter rate remained at 3 cents from 1932 until 1958, when it was changed to 4 cents—a 33½-percent increase. The legislation before us adds another 25 percent, or a total increase of

only 58 percent since 1932—a very moderate increase, in comparison to the heavy increases imposed on second- and third-class mail.

Second-class, or publishers', rates for mailing commercial publications beyond county were increased by 30 percent in 1951 and again by 54 percent under the Postal Rate Increase Act of 1958.

The most important postage rate on third-class matter—the minimum charge per piece on bulk mailings of advertising circulars and so forth—already has been raised 150 percent since 1951, and when the adjustments in my amendment become effective will have been increased 170 percent during this period.

My amendment, therefore, will overcome the chief objection—and, in my judgment, a fully justified objection—to the reported bill during the debate on the rule last September 15. The watered-down version reported hastily in the closing days of the first session placed almost the entire burden of postal rate increases on users of first-class mail, with comparatively minor upward adjustments in second- and third-class rates. My amendment will correct these serious deficiencies. As pointed out in the Postmaster General's official report, under my amendment there will be a "fair apportionment of postal costs between taxpayers and users of the mail" and "costs ascribed to mail users will be assessed equitably among all mail classes."

The new rates will become effective July 1, 1962, except that the fixed charge per piece on second-class mail will be made in two steps; one-half cent will be effective July 1, 1962, and be increased to 1 cent a year later, on July 1, 1963.

My amendment makes no change on second-class mailings within county or on mail for the blind. It also continues the present rates on educational materials, on classroom publications, and on mailings of qualified nonprofit organizations.

Mr. JAMES C. DAVIS. Mr. Chairman, I offer an amendment to the Murray amendment.

The Clerk read as follows:

Amendment offered by Mr. JAMES C. DAVIS to the amendment offered by the gentleman from Tennessee, Mr. MURRAY: On page 3, line 25, insert "and newspapers" immediately before "by section 4360 of this title".

On page 4, line 11, insert "and newspapers" immediately following "publication".

On page 4, line 23, insert "(a)" immediately before "The minimum rate".

On page 5, line 6, strike out the quotation marks.

On page 5, immediately following line 6, insert the following:

"(b) The minimum rate of postage for each individually addressed copy of a newspaper mailed for delivery beyond the county of publication is one-half cent."

Mr. JAMES C. DAVIS. Mr. Chairman, when the rule on this bill was before the House last September the membership pretty decisively expressed itself as not wanting a bill of this nature crammed down the throats of the Members without having an opportunity to express themselves in the way of amendment. I hope we are not going to see an effort made to cram a bill down our throats today without opportunity

of offering amendment or due consideration given them, such amendments as may be in order to this bill.

The amendment which has just been read has this simple effect: You will see on an analysis of that part of the Murray amendment dealing with second-class mail, over in the right-hand column effective July 1, 1962, a one-half-cent-per-piece increase on newspapers mailed out of the county of publication; there is another increase of one-half cent per piece—a total of 1 cent per piece—on newspapers mailed out of the county of publication. The effect of this amendment would simply be to eliminate that provision as it applies to newspapers.

There are a number of small newspapers which exist just on the ragged edge. This Murray amendment, I am confident, would put some of those newspapers completely out of business. The American Newspaper Publishers Association gave me this statement: That this provision in this bill would impose a 100-percent increase on second-class postal cost of the Raleigh (N.C.) News & Observer; a 135-percent increase to the Aberdeen (S. Dak.) American News; a 66-percent increase to the Rutland (Vt.) Herald; and a 124-percent increase to the Dothan (Ala.) Eagle.

I have served on this committee for 15 years. I have heard testimony on postal rate increases year after year. I want to call your attention to the fact that newspapers have already had a very substantial increase imposed on them in recent years. In 1951 a 30-percent increase in postal rates was imposed on newspapers in the form of a three-stage increase, 10 percent per year. In 1958 there was an additional three-stage increase imposed on newspapers of 18 percent per year for 3 years, totaling 54 percent. The last annual increase just went into effect just last year. So they have had substantial rate increases, and these tremendous increases to which I have just called your attention on these small newspapers would be, in my opinion, exorbitant and almost intolerable.

This is an entirely new ratemaking proposal. We have never in the past placed any such burden on newspapers as the per-piece burden that is proposed to be placed on them now in this provision.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. JENSEN. Is it not a fact that to place an excise tax on anything except in time of war is a departure from congressional procedure? I do not remember of an excise tax ever before being proposed or imposed on anything in peacetime.

Mr. JAMES C. DAVIS. I do not know why it was thought advisable to place this type of increase on newspapers.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. ANDREWS. I want to commend the gentleman for offering this amendment. I intend to support it. I think should this tremendous increase be allowed to take effect it would work a

great hardship on many newspapers, especially in rural areas.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. ABBITT. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia [Mr. JAMES C. DAVIS] may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Ohio.

Mr. HARSHA. As I understand the gentleman's amendment, it would reinstate the present rate that is now in existence on newspapers. Is that correct?

Mr. JAMES C. DAVIS. The current rate would remain in effect. It is based on sound principles, it is based upon the advertising content in the newspaper, it is based upon the zone to which the newspaper is mailed, and it is based on factors which have a reasonable application to the business of the newspaper.

Mr. HARSHA. I want to commend the gentleman and say that I will support his amendment.

Mr. JAMES C. DAVIS. I thank the gentleman.

Mr. LOSER. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Tennessee.

Mr. LOSER. Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from Georgia.

Mr. Chairman, at the outset, let me say that I will support a postal rate increase bill today. I would be happy to support H.R. 7927, reported by the Committee on Post Office and Civil Service last year. I supported the rule in 1961. I am fully aware of the tremendous annual deficit now existing in the Post Office Department today which, I believe, amounts to something in the neighborhood of \$830 million.

This gap between receipts and disbursements is unreasonable. The President says that a balanced budget for fiscal year 1963 is dependent in part on a postal rate increase. It is my considered opinion that a balanced budget is imperative. We all know that the interest on our national debt approaches \$9 billion annually. However, I do not believe that a disproportionate increase in the rate exacted for the delivery of daily newspapers outside the county of publication should be exacted.

It is for this reason I support an amendment to the substitute offered by the distinguished chairman of the Post Office Committee which raises the rate about 55 percent on second-class mail. This increase is an unreasonable burden on daily newspapers. My colleague, the gentleman from Tennessee [Mr. MURRAY], seeks to raise the rates on newspapers some \$30-odd million in excess of the rates fixed in his committee bill of last year.

H.R. 7927, now pending before the House, raises the rates on second-class

mail some \$57 million, and under the proposed amendment of the distinguished chairman the rate is increased in such an amount as to raise some \$93 million in excess of the present rate. I repeat, this, in my opinion, is a disproportionate burden to place on our great newspapers.

In 1958 there was a 54-percent increase on second-class mail. It was estimated then that this increase would produce \$77 million. However, it only produced \$25 million. This illustrates rather sharply a point I want to make. It has to do with diminishing returns.

When this increase of 1958 became effective our newspapers could not stand this 54-percent increase on second-class mail. What do they do? Many of our great daily newspapers throughout the country ceased to use the postal service for the delivery of their papers outside the county of publication. They employed trucks and newsboys to deliver these papers. This was the reason for the discrepancy between anticipated revenue and actual receipts. It was a loss of \$52 million. The anticipated returns from the 1958 increase diminished from \$77 million to \$25 million. And if the Murray amendment is agreed to the \$93 million anticipated revenue will diminish to a greater extent than that which occurred after the 1958 amendment became effective.

I realize that great dailies like the New York Times and the Wall Street Journal cannot resort to Greyhound buses and newsboys for the delivery of their out-of-county papers, but our great dailies that circulate for a radius of 100 miles outside of the county of publication will not submit to this unreasonable increase in postal rates.

In my own district, the capital city and county of Tennessee, Nashville, we have two great newspapers, and their circulation extends even beyond a radius of 100 miles from the county of publication. Under present rates their postal charges now approximate \$160,000 annually. A 55-percent increase over the present rates will be unbearable. The traffic will not bear it. As a matter of fact my publishers tell me that if the Murray amendment is agreed to, and it becomes the law, the delivery of their papers outside the county of publication will be done by truck and carrier. As a matter of fact, they believe such a means of delivery can be employed at a lower annual cost under present rates.

Therefore, I support an amendment the effect of which will keep the present rate for daily newspapers the same as presently.

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Virginia.

Mr. ABBITT. Mr. Chairman, I commend the gentleman on offering this amendment, and I desire to associate myself with him. I hope that the Committee of the Whole will adopt the amendment he has offered.

Mr. JAMES C. DAVIS. I thank the gentleman.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?



Mr. JAMES C. DAVIS. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. As I understand it, the gentleman's amendment would leave second-class mail as it relates to newspapers at the present rate, is that correct?

Mr. JAMES C. DAVIS. Yes.

Mr. ROGERS of Colorado. Has the gentleman made any study to determine what the cost may be to the newspaper, the county newspaper, that sends newspapers beyond the county line, what that cost may be?

Mr. JAMES C. DAVIS. I have made a study as to the aggregate amount of revenue to be effected in this bill by my amendment. It has been calculated by our committee staff this amendment of mine, if adopted, would only take some \$21 million out of this bill which in total provides for \$550 million.

Mr. ROGERS of Colorado. \$550 million?

Mr. JAMES C. DAVIS. The bill will bring in, as now written, \$550 million. This amendment would take only \$21 million out of that total, but it would be of incalculable benefit to these small newspapers which are now operating on such a small margin of profit that some of them would undoubtedly have to go out of business.

Mr. ROGERS of Colorado. Do I understand the \$21 million would be newspapers alone?

Mr. JAMES C. DAVIS. Yes.

Mr. ROGERS of Colorado. Those newspapers may be mailed beyond the county where printed?

Mr. JAMES C. DAVIS. That is correct.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Kentucky.

Mr. CHELF. I understand the gentleman's amendment will affect more or less those small newspapers that have a circulation of 10,000 or less?

Mr. JAMES C. DAVIS. It would affect all newspapers. It would affect the small ones. It would have a much more beneficial effect on the small ones than the large ones because the larger ones distribute theirs by carrier.

Mr. CHELF. It would protect those in the category of the small country towns that have a circulation of 3,800, 4,000, or 5,000?

Mr. JAMES C. DAVIS. Yes.

Mr. CHELF. That is why I am going to support the gentleman's amendment.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Iowa.

Mr. JENSEN. Whether or not the newspapers affected by your amendment go across a county line?

Mr. JAMES C. DAVIS. This would affect those that do not come under the free-in-county provision. It would affect that part of them which does not come under the free-in-county provision.

Mr. JENSEN. I want to get this straight in my mind, and I think others do too.

You have many newspapers in your district, as I have in mind, small news-

papers, weekly newspapers for instance, that go across the county line.

Mr. JAMES C. DAVIS. I will say this, if the bill as now proposed by the Murray amendment is adopted, every one of those newspapers which goes across county lines will have to pay an additional charge of 1 cent per copy. My amendment eliminates that 1-cent-per-copy charge.

Mr. JENSEN. Good; I thank the gentleman.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Colorado.

Mr. CHENOWETH. The gentleman recalls my conversation with him concerning the newspaper situation. I understand your amendment will take care of all newspapers going across county lines.

Mr. JAMES C. DAVIS. It will.

Mr. CHENOWETH. Regardless of the size of the newspaper, and the rate will remain as it is at the present time?

Mr. JAMES C. DAVIS. That is correct.

Mr. CHENOWETH. There is no increase for papers going across county lines. I commend the gentleman for offering the amendment, and he will have my complete support.

Mr. JAMES C. DAVIS. I thank the gentleman.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Iowa.

Mr. HOEVEN. I am heartily in accord with the gentleman's amendment, and I hope it will be adopted. It only gives a square deal to these country newspapers which otherwise would be adversely affected.

Mr. JAMES C. DAVIS. I thank the gentleman.

Mr. MARSHALL. Mr. Chairman, at the appropriate time, I intend to offer the following amendment to the amendment proposed by the distinguished chairman of the Committee on Post Office and Civil Service:

On page 3, line 25, insert the words "or religious" immediately before "publications";

And on page 4, line 10, insert the words "or religious" immediately following "a classroom";

And on page 4, line 14, insert the words "or religious" immediately following "other than classroom";

And on page 5, line 1, insert the words "or religious" immediately following "a classroom".

The purpose of the amendment, Mr. Chairman, is simply to continue our policy of encouraging the dissemination of religious publications in the national interest. The amendment will not greatly affect the revenues which the legislation is intended to produce. It is merely a minor, but logical, extension of the policies continued in the chairman's amendment.

Although they are not supported by the great wealth of the large mass-circulation publications, these religious magazines make an immeasurable contribution to the spiritual and moral strength of the Nation. Because adver-

tising income is so small a part of their revenues, they must rely upon reasonable subscription rates both for operating income and for sufficient circulation. Their problems in this regard are identical to those of the educational and classroom publications we exempted in 1951 because increased rates would have been so burdensome as to force their discontinuation.

At the very time when so many of our constituents are especially concerned with more stringent legislation against obscene and pornographic literature, it would be foolhardy to impose penalties on those publications which are the best preventive and the best antidote. Even apart from this important consideration, these religious magazines make a special claim upon us because of their positive commitment to the moral values we have always regarded as basic to our national life and national purposes.

Like the classroom publications already exempted, these religious publications play an enormous role in the education of youth. Here again, their continued success depends upon maintaining subscription rates that will encourage as wide a readership as possible.

Like the publishers of classroom materials, these religious corporations have willingly assumed the responsibility of paying local, State, and Federal taxes. Their primary purpose for existence is to publish and distribute religious literature and their survival depends upon mail rates commensurate with their ability to pay and the high purpose for which they are organized.

It must also be noted that these religious publications often reach into other nations and the expense of such distribution must be borne by their domestic editions. Use of such publications in other countries fulfills one of the major objectives of our national policy by effectively demonstrating a central aspect of the life and culture of the people of the United States. There is no better way to give concrete evidence of our spiritual tradition. Few publications so well illustrate the richness and depth of the American heritage. They are potent weapons in the forefront of the ideological offensive against world communism. Often printed in the language of the countries they serve, their message is carried directly to the people.

All of us know that religious and educational publications are not lucrative enterprises. They fight for survival each year, seeking only to reach more and more readers with a message that has never lost its urgency. Their corporate organization and financial structures are largely a matter of legalism imposed by the complicated society in which we live. What we must do is balance the insignificant amount of revenue involved in this amendment against the tremendous contribution the religious publications make to the common good. Viewed in this light, Mr. Chairman, I am confident that the House will accept the amendment.

Mr. CORBETT. Mr. Chairman, will the gentleman yield at that point?

Mr. MARSHALL. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. I think maybe the gentleman from Tennessee, Mr. MURRAY, could answer this, but I believe that the effect of the gentleman's amendment is contained in the Murray amendment which makes no change in nonprofit magazine rates.

Mr. MURRAY. Mr. Chairman, if the gentleman will yield, you mean profit or nonprofit magazines.

Mr. MARSHALL. I am talking about magazines that dispense religious information. Some of those are profit and some are nonprofit. Now, so far as your proposal is concerned, you talk about nonprofit organizations. Some of the most powerful and influential magazines dispensing religious information in this country are those that are profitmaking organizations and come under the guise here of being in the shadow zone. I am certain that the chairman intends to do exactly what I have in my amendment, but unfortunately at this time, in a world conflict, in a cold war, it does not do, I am afraid, what the chairman intends to be done. A number of these religious organizations are using these publications to publicize the American way of life in foreign countries, and in order to finance them they are making a slight profit on their circulation in this country. This would stop that sort of thing from happening. I think one of the most powerful things that we have in this cold war, in this battle against communism, is the effect that these magazines that publish religious information have when they reach these foreign countries.

The United States of America as a Christian Nation in the cold war has a terrific responsibility on its shoulders. Mr. Chairman, the magazines that fall in the category of religious magazines are doing an immense good in this world of ours. We should not, in my estimation, cripple in a postage way the operation of those magazines.

Mr. Chairman, we are saying much about what we are doing. We are assuming an aggressive attitude in this battle against pornographic literature, against Communist propaganda, and against juvenile delinquency. This is one way in which we can do it.

Mr. LESINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have heard arguments here by Mr. JAMES C. DAVIS and Mr. MARSHALL about the second-class rates provided for in this amendment. I supported their amendments. However, these are reasons why I was opposed to the Murray amendment. I did not think it was properly thought out. We in the committee turned down that very amendment offered presently by the chairman.

Mr. Chairman, we held many months of hearings in order to come up with a proper postage rate which took into consideration what the gentleman from Minnesota has said, and what the gentleman from Georgia has said.

Mr. JAMES C. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Georgia.

Mr. JAMES C. DAVIS. The gentleman does not mean that the committee turned down my amendment?

Mr. LESINSKI. No, sir. I did not intend to leave that impression. As I stated, in the committee we were very careful. The committee reported out my bill last year. It considered these very things. I happen to know what the gentleman from Minnesota [Mr. MARSHALL], said about the Catholic Digest is true. This publication is sent to Panama, France, East Germany, England, and other parts of the whole world. They translated into their respective languages. Therefore I again ask the House to turn down the Murray amendment and act upon the original bill.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, although I hold the highest regard for the distinguished gentleman from Georgia [Mr. JAMES C. DAVIS], my colleague on the Post Office and Civil Service Committee, I am opposed to his amendment.

Mr. Chairman, the amendment is subject to three major objections: It would cost \$21 million a year, and cut that amount out of the necessary additional postal revenue provided for by my substitute. It would be highly discriminatory as between the group of second-class mail users and would give special preference to all newspapers, including the great metropolitan newspapers. It also would create unnecessary and undesirable further complications in the already complex second-class postal rate schedule.

Mr. Chairman, I believe that the amendment exempting newspapers from the rate increase provided for by the substitute should be voted down.

Mr. JAMES C. DAVIS. Mr. Chairman, would the gentleman yield for a question?

Mr. MURRAY. Yes, I yield to the gentleman from Georgia.

Mr. JAMES C. DAVIS. The distinguished gentleman has just made the statement that this amendment would create new complications in handling second-class matter.

Mr. MURRAY. I said that it would cost \$27 million; there would be a reduction of that amount of revenue.

Mr. JAMES C. DAVIS. I was not referring to that. I made that statement myself. But the gentleman just made the statement that my amendment, if adopted, would create new complications in the handling of second-class mail. I would like to ask the gentleman if it is not a fact that the situation that now exists would continue to exist if my amendment is adopted. Would my amendment create any new situation in handling second-class mail, or would not the situation remain just as it is?

Mr. MURRAY. It would create unnecessary and undesirable complications as I have stated. It would call for a recomputation of the rates.

Mr. JAMES C. DAVIS. Mr. Chairman, if the gentleman will yield further, if my amendment would create any complications, those complications already exist, because my amendment would simply retain the present status.

Mr. MURRAY. Our committee has been very fair to second-class publishers of newspapers and magazines. I cer-

tainly do not think that this rate, which is exceedingly reasonable for newspapers and magazines, should be lowered.

Mr. JAMES C. DAVIS. This would not lower the rate. It would simply retain it as it is.

Mr. BOGGS. Mr. Chairman, I rise in opposition to the Davis amendment.

Mr. Chairman, I think a study of the Murray amendment would indicate that the chairman of the committee has sought to assess these charges in the most equitable fashion possible. The only way one can consider the Davis amendment is to look at the whole package, not to look at one segment of the bill which is now before us for consideration.

This bill raises first-class rates, those used mostly by the housewife, the small businessman, and business generally, to the extent of almost half a billion dollars, or \$455,100,000 per annum. The third-class rate would go up to raise approximately \$100 million or \$93 million.

In the other class, second-class mail—and this is what is under discussion in this amendment—the total amount to be raised over a 2-year period is \$53 million.

The gentleman from Georgia just directed a question to the chairman of the committee in which he asked whether the adoption of his amendment would complicate the rate structure. The answer is yes, for the simple reason that what the gentleman from Georgia seeks to do is to amend only one part of the Murray amendment, namely: that having to do with newspapers. The Murray amendment is a twofold amendment on second-class rates. It deals with newspapers and it deals with magazines. What would happen if we adopted the Davis amendment to the Murray amendment would be that we would have the old rate for newspapers and another new rate to be administered by the same Post Office Department for magazines.

Mr. Chairman, I submit that the proposal of the gentleman from Georgia is discriminatory on its face in that it seeks to create for the first time one rate for newspapers and another rate for magazines. Congress has always recognized the fact that magazines and newspapers serve a good and vital public purpose. Since the inception of the Republic, they have been subsidized and properly so. Today, newspapers and magazines pay only approximately 21 percent of the cost of transporting such publications in the mail. We are not saying in the Murray substitute that we are for abolishing the subsidy to the newspapers and the magazines. We are simply saying, in a two-step basis not fully effective until July 1963, that subsidy should be reduced.

The effect of the adoption of the Murray substitute would be to up the cost from a subsidy which now amounts to as much as 79 percent or more than that to approximately a 50-percent subsidy. I submit that that is a fair proposition.

Let us look at this from the point of view of revenue. I cannot believe for one moment that the great newspaper industry in this country and, mind you this



makes no distinction between newspapers—I cannot believe for one moment that the newspaper industry which prides itself on freedom, and freedom from Government control—would come here and make this kind of plea for \$21 million. That is what is involved here. For \$21 million we move from a position of 79-percent subsidy to a position of 50-percent subsidy.

Then there is another area of discrimination which I am sure most of you are aware of. Many of the newspapers in our country have been somewhat abashed about this subsidy and they have moved away from the subsidy, they have moved to paying their own way and more and more newspapers provide their own delivery service. They do not use the Post Office. But, we are saying here, if we adopt this amendment, that we will penalize the papers that have shown that kind of initiative to cut off Government subsidies, and that we would reward those papers that have not shown such initiative. In my judgment, this is the very kind of thing that most newspapers are against, and I cannot believe for one moment that they would countenance this.

Finally, Mr. Chairman, I am not here to make a plea for magazines. But, if we are going to have a rate increase, I do not know how the House of Representatives of the United States can justify an increase in the rate of magazines of 1 cent a copy and not increase the rate on out-of-county newspapers at the same time. The magazines have had full-page advertisements in the newspapers describing and pointing out their plight. I do not know whether these figures are justified or not. I suspect that they are not because the total amount involved here is \$53 million. But we certainly cannot make fish of one and fowl of the other. I hope, Mr. Chairman, that this amendment will be considered in the light of the whole bill and will be rejected by the Committee.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. ROUSSELOT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was delighted to hear the distinguished gentleman from Louisiana speak so vigorously on the subject of reducing subsidies in this postal bill, especially in second- and third-class mail. That is a position for which we on this side of the aisle have always fought, and I now hope that he will fight as vigorously to reduce subsidies in the farm program which I think need to be reduced also.

Many of us who sit on the Post Office and Civil Service Committee listened to the vast amount of argument by the great number of people who came before our hearings pleading special dispensation because their particular publication was different. We heard all these arguments which had the effect of proposing subsidies for the use of mails at the expense of the other users including first-class patrons. I agree with the gentleman that we should eliminate subsidies and have each class user pay their own way. I hope that the gentleman from Louisiana [Mr. Boggs] will work as vig-

orously to reduce subsidies in the farm program, because those of us who live in the urban areas are tired of paying these large farm price supports.

Mr. Chairman, I yield back the balance of my time.

My unanimous consent the pro forma amendments were withdrawn.

Mr. JOELSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe it is high time we stop passing along rising postal costs to the users of first-class mail and that we should see to it that third-class commercial mail and magazines bear their fair share of the burden. If we are not willing to do this, we should let the cost be paid out of general tax revenues.

Since the Post Office Department concedes that first-class mail at four cents is just about self-supporting, it makes sense that we look elsewhere for the revenue.

The Post Office Department also concedes that second- and third-class mail produce large deficits. Therefore, as matters now stand, the average person who sends a letter is subsidizing the costs of business circulars and magazines. Why should those who use the mail exclusively for profit get favored treatment over those who do not?

If the Congress wishes to give subsidies to mail order houses and magazines, it should do so openly by providing the funds from general revenues rather than by an unjustifiable increase in first-class mail rates.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. JAMES C. DAVIS] to the amendment offered by the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. JAMES C. DAVIS) there were—ayes 65, nays 106.

So the amendment to the amendment was rejected.

Mr. JAMES C. DAVIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAMES C. DAVIS to the amendment to H.R. 7927 offered by Mr. MURRAY: "On page 5, strike out subsection (a) of section 8, lines 12 through 22, and redesignate the following subsections of section 8 accordingly."

Mr. JAMES C. DAVIS. Mr. Chairman, I hope that I will have better success with this amendment than the one just voted on.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Tennessee.

Mr. MURRAY. Mr. Chairman, so far as I am concerned I will accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. JAMES C. DAVIS].

The amendment to the amendment was agreed to.

Mr. OLSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLSEN to the amendment offered by Mr. MURRAY, of Tennessee: All of section 7 beginning on line

2 of page 8 and ending on line 4 is deleted and there is substituted therefor the following:

"Sec. 7. Section 4422 of title 39, United States Code, is amended by striking out '12 cents' and inserting in lieu thereof '14 cents'."

Mr. OLSEN. Mr. Chairman, I think my situation presents the fundamental objection to legislating in this manner.

The committee gave real sound consideration to the committee bill that has been before us. In that committee bill there was an increase in this particular section of the per pound rate for sending controlled circulation magazines through the mail. That increase was from 12 cents per pound to 14 cents per pound. The increase was made because it would be keeping an equilibrium between the controlled circulation magazines and the magazine that has subscribers.

I have in my hand a controlled circulation magazine. That is sent without subscriptions to trades or to business people of a given class. It is a kind of catalog magazine. It has no responsibility at all to the receiver. The responsibility is entirely to the advertiser.

For many reasons the history has been that the per pound rate of the controlled circulation magazine has some relationship to the cost of sending it through the mail, and it also has a relationship to the magazine which is subscribed for. That latter magazine has a responsibility to the subscriber.

In my left hand I have such a magazine. Its editorial policy has a responsibility to the subscriber because the subscriber invites it. He pays for this magazine.

We learn from the Post Office Department that the Post Office cost ascertainment report shows an income of 6 cents per piece from the controlled circulation magazine. That is the income from this magazine on the average. Now, the cost of sending it through the mails through the Post Office Department is estimated at 8.2 cents per copy. So, on the average the Post Office loses 2.2 cents every time it goes through the mails. I understand this is unsubscribed for—well, certainly wanted in many places, but it is not generally asked for. On the other hand, the other magazine which is subscribed for and which has a responsibility to the subscriber for its editorial content, that magazine on the average, according to the J. K. Lasser & Co. study made for Associate Business Publications, pays to the Post Office Department 5.8 cents per piece. The Post Office cost ascertainment report shows it costs 5.47 cents per piece to ship it through the mails. So, as a matter of fact, the Post Office is making a profit out of this particular type of subscribed-for magazine.

Now, the subscribed-for magazine is paying an increase in its rate of 1 cent a copy for going through the mails, but the non-subscribed-for magazine is going to experience the same rate as it had, namely, 12 cents a pound. Now, if the controlled circulation magazine rate was increased to 14 cents per pound, then it would have a corresponding increase to that of the subscribed-for magazine, and what is more, that would realize for the

Post Office Department \$1.3 million increased revenue. If we leave this magazine at present rate of 12 cents per pound and place the 3 cents minimum charge upon it, which is contemplated by the Murray amendment—incidentally, most of these magazines are heavy enough that they would pay more than this minimum, so for the most part there would be no increase on the controlled magazine—the Murray amendment would realize an increase of only \$100,000. Now, if we are talking sincerely about increasing the rates for all the classes proportionately, as has been the case in past history, we should reinstate the increase which the committee voted. By the way, the committee considered this for 7 months. I voted for this increase that I am offering as an amendment to Mr. MURRAY's amendment now. I am asking that we amend the Murray amendment to make it the same as it was in the committee bill that came to the floor and realize a \$1.3 million increase instead of the \$100,000 increase.

Mr. BARRY. Mr. Chairman, I rise in support of the Olsen amendment.

Mr. Chairman, I would like to substantiate what the gentleman from Montana [Mr. OLSEN] has said. Certainly this is the type of circulation which has ample advertising in it. There is probably a maximum of advertising in this type of controlled circulation. Normally this circulation goes to one segment of an industry or to some group activity where everything contained therein is of advantage to the reader, and the reader is an advantage to the advertiser. The idea of increasing the rates on all other publications and leaving this one isolated instance with only a nominal increase of \$100,000 would not be in the public interest. It is our responsibility to, first, raise revenue and, secondly, to treat all classifications of advertising media and publications equitably. I heartily encourage and urge you to support the Olsen amendment.

Mr. OLSEN. Mr. Chairman, I ask unanimous consent to correct my amendment. I sent up an amendment which was addressed to the pages of the original bill rather than the Murray amendment.

Mr. Chairman, I ask unanimous consent to modify my amendment and address it to page 5, line 8, section 7, by striking therefrom section 7.

The CHAIRMAN. Is there objection to the unanimous consent request of the gentleman from Montana to modify his amendment?

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows: On page 5, line 8, strike out all of section 7, lines 8 through 10, and insert:

"Sec. 7. Section 4422 of title 39, United States Code, is amended by striking out '12 cents' and inserting in lieu thereof '14 cents'."

Mr. JAMES C. DAVIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it refers to a category of mail known as controlled circulation. One of the reasons why the small amount of revenue to be brought in by the in-

crease which will be placed upon this category of mail is that it is such a small portion of our mail. There are not many of these controlled circulation magazines in publication.

Mr. Chairman, several facts demonstrate that this amendment should not be adopted. Both the Post Office Department and the chairman of the Committee on Post Office and Civil Service, who has prepared this Murray amendment, agree that the rate carried here is the proper rate for controlled circulation magazines. It does not leave them at the current rate. This Murray amendment increases the per-piece cost of controlled circulation magazines from 1 cent minimum per piece to 3 cents minimum per piece.

Mr. Chairman, the great reason why this amendment should not be adopted is that the large magazines which have been referred to as paying so much revenue here by the proponents of the Olsen amendment actually pay a smaller percentage of postage than the controlled circulation magazines. The controlled circulation magazines now pay a rate of postage  $2\frac{1}{2}$  times as high as the second-class magazines. This amendment would seek to increase that rate still further. In 1958 the controlled circulation magazines had their postage rate increased from 10 cents per pound to 12 cents per pound.

Mr. Chairman, magazines such as Ladies' Home Journal, the Saturday Evening Post, and all the other magazines which do operate at a profit average now 4.5 cents per pound on their postage, whereas the controlled circulation magazines now pay 12 cents per pound, and their rate was increased from 10 cents to 12 cents in 1958.

Mr. Chairman, where is the equity when these magazines already pay 2.5 times as much as the Saturday Evening Post, which is subsidized by the Post Office Department, as the Ladies' Home Journal, which is subsidized by the Post Office Department, as Time and Life, and all these other highly profitable magazines which we all know are subsidized by the Post Office Department by millions of dollars every year? Where is the logic and justice of increasing the postage rate of these little controlled publication magazines which already pay 2.5 times the rate of postage that these highly subsidized, profitable magazines pay?

It is a matter of justice and equity. Also these profitable magazines get preferential treatment. You get your Saturday Evening Post on the same day each week. When it is put into the Post Office Department it gets what they call red tag treatment, preferential treatment. The same with Life and Time and other profitmaking magazines. These controlled-circulation publications do not get that treatment. They get third-class-mail treatment, which is not preferential. They are handled when the post-office employees have nothing else to do.

With all due respect to the gentlemen who are promoting this amendment it looks like a dog-in-the-manger proposition. It is the profitmaking subsidized magazines undertaking to put out of

business these smaller controlled circulation magazines which pay their own way.

Mr. CUNNINGHAM. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, these rate problems are very complicated and I can imagine they are quite boring to a good many Members. I have been a member of the committee for 5 years, now beginning my sixth year, and we members of the committee take a deep interest in these matters. We study them. We try to understand the problems involved in our work, as each of the Members of the House becomes a specialist in the field of activity of the committee of which he is a member. This is a very technical matter. We are not talking about any so-called little controlled publications. This is big business. Let me put this to you. Life magazine and Time, have no part in this discussion of this amendment. We are talking about a group of little business magazines, the type we call trade journals. That is what this amendment is about.

These business publications have editorial material in them and have interesting articles. Let us say it is about the hotel business. People in the hotel industry will subscribe to this magazine because it is a trade journal in which they are interested. They pay a certain rate for receiving this magazine. It is a legitimate operation. These publications are small; they are not large.

They are published at second class. On the other hand, we have a category that is not second class and it is not third class. It is a special class. It is called a controlled publication. These are primarily booklets composed of advertising. There may be a few articles, but very few; just a bunch of ads stapled together. This magazine is distributed free to a particular industry. Let us say again that it is the hotel industry. You can see what disadvantage that puts the small legitimate subscription people to. Controlled magazines are distributed free whereas the business magazines are paid a subscription fee. In addition they contain much editorial and news material for the industry to which they are available.

All we are asking here is that the controlled people who are a very severe and unfair competitor of the legitimate business publication receive the same rate increase that we are going to impose on the small business magazines.

There is another reason for this amendment. We think that all ought to be treated alike. I might say that the change in the piece rate from 1 to 3 cents for controlled publications means nothing, because the magazine weighs more than the minimum weight. So it goes by the pound rate and this amendment will put the pound rate for controlled publications, the ones distributed free, at the same rate that we are going to charge legitimate business publications.

Mr. Chairman, I would like to add one further statement. We are just beginning the amendments to this bill. Our President wants to raise a certain amount of money. There is a likelihood that some of these rates will be knocked down. I do not know that they



will be, but that is always a possibility. It has happened before. If you adopt the amendment offered by the gentleman from Montana [Mr. OLSEN] who has studied this very carefully in our committee, it will bring in an additional \$1.3 million in revenue to the Post Office Department.

If you are thinking about this deficit and want to do something about it, here is something that will really help. As I said, there may be some reductions in rates. I have no notion that there will be, but it is always possible since it has happened before. In that event, this amendment ought to be adopted because here you are taking in an additional \$1,300,000 and we all know that is a sizable sum of money.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JAMES C. DAVIS. Mr. Chairman, I move to strike out the last word to make this additional statement before this amendment is voted upon.

Controlled publication mail is the only class of mail besides first-class mail which pays its own way. This is not costing the Post Office Department a penny. It does not receive preferential treatment that magazines receive under second-class rates. I have just discussed this with the staff of the committee and controlled circulation pays its own way. This is the only class of mail besides first-class mail that pays its own way and it would be grossly inequitable to put on this increase and make it pay a profit to the Post Office Department.

Mr. LESINSKI. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I support the Olsen amendment. It aims at solving some of the problems that were pointed out in the bill that was reported out last year. The points made by the gentleman from Georgia are correct, but on the other hand we, in the committee, felt that controlled circulation rates should have been raised from 12 cents to 14 cents. The reason for this is very simple. As the gentleman from Nebraska has stated, this is a special and separate advertising magazine. The manufacturers of a certain line of goods advertise in such a magazine. The magazine is then distributed to the members of that particular industry without their asking for it. It is true that controlled circulation is charged more for postage rates. On the other hand, the people receiving this mail do not ask for this magazine. That is point number one. Point number two is that controlled circulation industry is making more money than second- and third-class mail. Another point that you should consider is that second-class mail has certain concessions whereas controlled circulation does not. Therefore, it averages out. That is another point. Then still another point is that by leaving controlled circulation rates at 12 cents, it amounts to a move to put controlled circulation in second-class mail. I wish my colleagues would keep these points in mind. This is a move to put controlled circulation in second-class mail.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. OLSEN. I only wanted to make this comment concerning whether or not controlled circulation is paying its own way: The Post Office cost ascertainment report shows an income of 6 cents per piece from controlled circulation against a cost of 8.2 cents per piece to the Post Office Department for handling it. Thus by the Post Office cost ascertainment report they are not paying their own way.

Now, I want to submit the comparison with the subscribed-for, invited magazine. The magazine invited by subscription pays on the average 5.8 because it goes through many zones. When it gets to the most distant zone it is paying a higher rate by far than its competitor.

Mr. LESINSKI. That is correct.

Mr. OLSEN. So it averages out that the subscribed-for magazine is paying 5.8 to be carried through the mails, yet the cost to the Post Office Department is less than that by almost one-half percent; 5.47 cents is the cost to the Post Office Department of moving it through the mails.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. BOGGS. I have listened to the statements of the gentleman from Montana and I must say I am somewhat concerned by his last statement. The gentleman said that the distributors of these magazines were paying a possible charge of 8½ cents. Is that correct?

Mr. OLSEN. That is not right. It is about 5.8 cents.

Mr. BOGGS. The gentleman proposes to raise that, does he not?

Mr. OLSEN. It is in the Murray bill that second-class subscribed-for magazines be raised 1 cent per copy.

Mr. BOGGS. Does it not raise it on a percentage basis in comparison with other types of magazines? Is that not right?

Mr. OLSEN. No; the subscribed-for magazines are raised 1 cent per copy. The only raise in the Murray amendment with regard to controlled-circulation magazines is the minimum charge, for these magazines weigh so much.

Mr. BOGGS. I think the gentleman has missed the essential point which is that these magazines are already paying more than other types of magazines.

Mr. OLSEN. No, they are not. They are not paying as much as the subscription-type magazines.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LESINSKI] has expired.

Mr. BARRY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in reply to the statement by the gentleman from Montana [Mr. OLSEN], I want to refer to the last cost ascertainment report as contained in the hearings. It shows these figures: Revenues from controlled circulation were \$7,519,724; whereas the obligations, or the costs, were \$10,346,288. So there is a substantial deficit on this class of mail.

I think what the gentleman from Montana is attempting to do here is to

restore what the Department itself says it wanted last year, because this amendment offered by the gentleman from Montana attempts to put into this bill by an amendment to Mr. MURRAY's amendment the same identical thing the Department came down to our committee last year and said they wanted. This would increase their revenues by \$1.2 million and would knock out part of the deficit from controlled circulation the exact loss figures being those figures which have just been read to you from the most recent cost ascertainment report of the Post Office.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. OLSEN].

The amendment was agreed to.

Mr. HECHLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER to the amendment offered by Mr. MURRAY of Tennessee: On page 6 in the table immediately following line 4, strike out "16" and insert in lieu thereof "21"; strike out "12" and insert "18" in lieu thereof; and on page 6, in the table immediately following line 6, strike out "3" and insert in lieu thereof "3½".

Mr. HECHLER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Chairman, this amendment, in the first place, does not affect in any way nonprofit organizations nor does it affect second-class rates. It deals only with third-class rates for other than nonprofit establishments. It merely provides for increases in the rates of so-called junk mail from a minimum per piece of 3 cents as proposed in the Murray amendment to 3½ cents. It also provides for increases of bulk mailings of material of 24 pages or more put out by other than nonprofit organizations from 12 cents per pound as provided in the Murray amendment to 18 cents per pound. On bulk mailings, the per pound rate goes up from 16 cents as provided in the Murray amendment to 21 cents per pound.

Mr. Chairman, I would like to pay tribute to the Committee on Post Office and Civil Service. It has done a very fine job, working for 7 months, after which they came out with exactly the rate I am proposing in my amendment.

The Murray amendment would lower the rate on third-class mail from what had been proposed in H.R. 6418, and I believe the third-class rate should be raised to 3½ cents minimum per piece for circulars, which would produce new revenues of \$100.4 million.

Let me ask a question: Would you like to make a hundred million dollars for the U.S. Government?

The last amendment offered by my very good friend from Montana [Mr. OLSEN], for which I voted, will net \$1.3 million in new revenues. My amendment, according to the figures I have received from the Post Office Department, will bring in something like \$161 million

of revenue from third-class mail as compared with only \$93 million under the Murray amendment.

Under unanimous consent, I would like to insert the following table pre-

pared by the Post Office Department to indicate more precisely how my amendment would affect third-class revenues, as contrasted with the Murray amendment:

|                           | Hechler amendment to Murray amendment           |              | Murray amendment                               |              |
|---------------------------|---|--------------|--|--------------|
|                           | Rate  | New revenues | Rate   | New revenues |
|                           |   | Millions     |  | Millions     |
| Single piece rate.....    | 4 cents 1st 2 ounces; 1½ cents each additional. | \$34.5       | Same.....                                      | \$34.5       |
| Bulk rate regular:        |   |              |  |              |
| Circulars, etc.....       | 21 cents per pound.....                         | 7.4          | Present rate.....                              | 0            |
|                           | 3½ cents minimum per piece.....                 | 100.4        | 3 cents minimum per piece.....                 | 52.7         |
| Books, catalogs, etc..... | 18 cents per pound.....                         | 14.8         | 12 cents per pound.....                        | 3.8          |
|                           | 3½ cents minimum per piece.....                 | 3.9          | 3 cents minimum per piece.....                 | 2.0          |
| Nonprofit.....            | Present rates.....                              |              | Present rates.....                             |              |
|                           | Total new 3d-class revenues, Hechler amendment. | 161.0        | Total new 3d-class revenues, Murray amendment. | 93.0         |

The people are fed up to the teeth with the junk which stuffs their mailboxes in third-class mail. The people cannot understand why we should be raising first-class and airmail rates and in effect subsidizing the third-class mailers. The third-class mailers are businessmen, small and big. I believe that when a business firm advertises in a newspaper or magazine, or over the radio or television, or puts up a billboard, the business pays the full cost of such advertising. Why, then, should business expect the taxpayers of the Nation to subsidize their advertising which they do by third-class mail? I say we should stop these third-class subsidies and raise third-class rates so such mailings will more nearly pay for themselves. Only then should we talk about raising first-class and airmail rates.

The amendment I have proposed will bring the revenues from third-class mail more nearly in line with the cost to the Government.

And so it seems to me you have here this afternoon a wonderful opportunity to strike a blow for liberty: first, to take a swat at junk mail, which none of us likes; and second, to bring in vast new revenues to the U.S. Government. New revenues of over \$100 million alone will come in to the Treasury if we raise the minimum piece rate on circulars to 3½ cents.

Mr. Chairman, I urge adoption of my amendment.

Mr. CORBETT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

Mr. Chairman, I was greatly surprised that a gentleman coming from a State which is supposed to have one of the higher rates of unemployment would propose the termination of a \$20 billion a year business. That is what he is proposing here.

He is attempting to put direct mail out of business by charging the industry according to his figures with some \$150 million or \$190 million of new postal rates. He might as well have moved to eliminate direct mail advertising.

The Secretary of Commerce in testifying before our committee pointed out that this industry, from the time the first

advertising goes out until the transaction is completed, aggregates over \$20 billion a year. They directly employ some 41,000 people. And to think that a gentleman, who should be familiar with the woes of unemployment, would come along here and propose that a rate go up from what we believe is an extremely high figure—from 3 cents a piece to 3½ cents a piece—is amazing to me. Let us put this in terms of dollars.

Third-class mail used to go out at \$10 a thousand. Then, through a series of raises, we put it up to \$15 a thousand, then \$20 a thousand. It is now \$25 a thousand. This is the kind of direct mail many of you folks used in your campaign, so you are familiar with it. The Murray amendment puts it up to \$30 a thousand.

Now the gentleman comes along and wants to make it \$35 a thousand. I would say just offhand that I have heard of no amendment yet to be offered to this bill that deserves such a sound defeat as this one.

Mr. HECHLER. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from West Virginia.

Mr. HECHLER. The gentleman referred to the fact that I was trying to drive people out of business by this amendment. I certainly do not think so. The gentleman, when he was on the committee, and who originally participated in bringing out the original bill, which was precisely the same—

Mr. CORBETT. Listen, I am glad you brought that up, because I want to correct that error. The bill reported from committee, H.R. 7927, did not raise the minimum base rate. It left it 2½ cents.

Mr. HECHLER. I was referring to this figure on the analysis of proposed postal pay revision.

Mr. CORBETT. Well, the gentleman simply stated it wrong. This was a proposal that somebody made to the committee. The committee turned it down. And, instead of taking the 3½-cent rate, they took the 2½-cent rate with other increases.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from West Virginia.

Mr. BAILEY. You are speaking now about what you say is a \$20 million business.

Mr. CORBETT. Billion.

Mr. BAILEY. There must be some advantage to the groups engaged in that kind of business by utilizing the cheapest kind of advertising they can get, and that is this third-class mail.

Mr. CORBETT. I am going to ask the gentleman, Do you utilize this class of mail? Do you utilize third-class mail?

Mr. BAILEY. Most of it hits the wastepaper basket.

Mr. CORBETT. Do you utilize this class of mail, is the question.

Mr. BAILEY. No, I do not.

Mr. CORBETT. You do not know much about it, then.

Mr. BAILEY. Certainly, I do know enough about it. That kind of business that can be built up to the size you say must have been taking advantage of every possible means, and if they are taking advantage of this cheap rate, let them pay for it.

Mr. CORBETT. I think the gentleman would help himself if he utilized a little bit of this and understood it better. I think this amendment should be defeated.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from New Jersey.

Mr. JOELSON. This is a business whose only stock in trade is the use of the postal facilities, and this is what they are in business for, using the mails—

Mr. CORBETT. I refuse to yield any further. The gentleman is just illustrating what the gentleman from Montana said. Here is something that is not understood.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Michigan.

Mr. LESINSKI. That is the point. The fact is that this generates millions of dollars of revenue, which is important to America.

Mr. CORBETT. It is the come-on of the Post Office.

Mr. HERLONG. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I just want to tell you folks a little story that happened to me one time which will give you some example of just how this mail is used. I happen to be associated with some people who are in the business of selling automobiles. They started blanket-ing the county with this occupant mail, and I had a lot of people send it to me during the time I was campaigning for reelection to Congress. "Is this the kind of stuff," they said, "that you are permitting to go through the mails?" It had my name on it, bless your hearts. I called up the company and said to the manager, "Why in the world are you sending this stuff through the mail?" He said, "We get a better return per dollar invested in this type of advertising than any other type of advertising we do." I said, "Well, then, if you do, you ought to pay the postage for it."



That is why I am in support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. HECHLER]. The amendment was agreed to.

Mr. RHODES of Pennsylvania. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RHODES of Pennsylvania to the amendment offered by Mr. MURRAY of Tennessee: (1) On page 5, immediately following line 6, add a new section 7 as follows:

"Sec. 7. The amounts of postage paid on nonadvertising and advertising portions of the publication during the preceding 12 months: No publication sold or distributed through the mails under the second-class mailing privilege shall be received, handled, processed, transported, or delivered by the Post Office Department or any employee or agent thereof, unless the annual postage paid by such publication equals the annual cost to the Post Office Department (subject to the exception below) of such receipt, handling, processing, transporting, and delivering of such publication, as based on calculations resulting from the reviews, studies, and surveys of the postal rate structure required by section 105 of the Postal Policy Act of 1958 (72 Stat. 137; 39 U.S.C. 270c), and the detailed analysis of each publication's revenue and cost of handling data which may be necessary to carry out the provisions of this paragraph: *Provided further*, That, during the first year after enactment of this subsection, the actual cost to the Post Office Department in receiving, handling, processing, transporting, and delivering any individual publication may exceed by not more than \$5,000,000 the actual postage paid by such publication during such year: *Provided further*, That, during the second year after enactment, the cost may exceed postage paid by not more than \$3,000,000; during the third year, by not more than \$1,000,000; during the fourth year, by not more than \$500,000, and during the fifth year and thereafter, the cost may not exceed \$100,000 per publication per year. The provisions of this paragraph (5) shall become effective with respect to the 12 months preceding the first such report and subsequent periods and costs shall be based on estimates of the Postmaster General if no data are available under the operation of section 105;" and

(2) By renumbering section 7 through section 12 as section 8 through section 13, respectively.

Mr. RHODES of Pennsylvania. Mr. Chairman, before I discuss my proposed amendment, I want to pay a personal tribute to the committee chairman for his efforts in seeking the enactment of a fair postal rate adjustment bill.

As a former member of the Post Office and Civil Service Committee for 8 years, I have learned to respect the gentleman from Tennessee for his courtesy to members of his committee and for his knowledge of legislation pertaining to the Post Office Department.

Mr. Chairman, my amendment is a very simple one. All it does is put a limitation on second-class postal subsidies which are a major factor in the big postal deficit. It does not hurt small publishers in any way.

Under my amendment a 5-year sliding-scale subsidy limitation formula would be established. During the first year, Department costs would not be permitted to exceed by more than \$5 mil-

lion the actual postage paid by any individual publication. The cost ascertainment formula of the Department would be used for this purpose. During the second year, this subsidy would be reduced to a maximum of \$3 million; the third year to a maximum of \$1 million; the fourth year to a \$500,000 maximum; and the fifth year and thereafter, to a \$100,000 maximum subsidy per year per publication.

Arguments that this proposal is unworkable are not valid. Former Postmaster General Summerfield said that administration would be difficult but that it could be done. Several years ago the House passed my amendment to limit second-class subsidies to \$100,000. In the other body the limitation was raised to \$1,800,000. Although defeated, it received 33 votes in the other body. My amendment today considerably modifies my former proposal.

There is widespread public support for this legislation despite the silence treatment it has received in the publications which benefit most by this kind of Government aid. However, a number of newspapers throughout the country have supported such legislation in their editorial columns, including the Philadelphia Inquirer, one of the largest and most influential dailies in Pennsylvania.

I believe that every Member of the House received a letter today, from the National Federation of Independent Business, which for many years has polled its members on legislation before Congress.

In this letter, dated yesterday, the federation opposed a postal rate increase, making particular objection to an increase of first-class mail postage. My colleagues may be interested in a poll conducted by this organization when this issue was before the Congress about 2 years ago. In bulletin or mandate No. 252 at that time, this question was asked in their membership poll:

Are you for or against Congress requiring all large national magazines to pay their full share of post office mailing costs, the same as users of first-class mail are required to do?

The membership of the National Federation of Independent Business voted 84 percent for reducing second-class postal subsidies, only 13 percent against. In my own district, 94 percent of the members voted for reducing such subsidies.

Mr. Chairman, much of the opposition to the first-class mail increase will be eliminated if my amendment is adopted.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RHODES] has expired.

Mr. RHODES of Pennsylvania. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Chairman, this is an amendment which should get the full support of my colleagues on both sides of the aisle.

It should appeal to everyone who has been critical of Federal giveaway programs and the big postal deficit. Those who receive large postal subsidies are among the top beneficiaries of Federal aid and Government handouts.

We are fully justified in enacting this proposal, for the giant magazines themselves, such as Reader's Digest and the Luce publications, have been the most powerful critics of Federal aid programs.

It may be interesting to my colleagues from Iowa if I quote remarks made over station WHO by Herb Plambeck, who was then farm director of that station, on the question of subsidies when this issue was before the Congress a few years ago:

Life magazine and Reader's Digest and other widely read publications which have gone all out, headlining what they describe as "the incredible farm scandal"—implying, in effect, that every rural resident is a parasite and a thief.

I don't recall Life in its scathing denunciation of agriculture, saying much about the \$9 million or more it has received in a single year in the way of the postal rate subsidy. Nor does Reader's Digest say much about the \$5 million it has accepted. Seldom is something written about the \$38 million in annual subsidies estimated for just 14 of our major magazines, to say nothing of the hundreds of others.

It seems to me that if the magazines are going to condemn agriculture as criminals for accepting Government help, then the publishers who condemn us ought to have the decency to admit to the same crime.

I know two wrongs do not make a right, and that this sounds like the pot calling the kettle black; but I feel people who live in glass houses, even if they are on Times Square, have no right to criticize agriculture and to make whipping boys out of farm people, when they themselves are also accepting Government help, provided by you and me—the taxpayer.

What Mr. Plambeck said could be said about many other programs which these slick magazines oppose.

From the information I have received, it costs the Post Office Department \$20 million annually for handling and mailing the Luce publications.

For this service, Luce magazines pay \$8 million; an indirect subsidy of \$12 million or a million dollars a month.

Most Members will remember the story in Life magazine dated June 6, 1960, shortly before final adjournment of the 86th Congress. Much of the story was rigged with fake pictures in an effort to discredit certain of our colleagues, including some of the most respected Members of the House. It was entitled, "How Congressmen Live High Off the Public."

Yet, few people know that the annual subsidy to Luce publications amounts to more than the combined yearly salaries of 437 Members of the House of Representatives.

I am sure, Mr. Chairman, that if my amendment is adopted we can all, in good conscience, vote for the rate increase.

Mr. BARRY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to take this time to read a Department letter from the Office of the Postmaster General dated August 21, 1961, pertaining to H.R. 7361 which is substantially the

same as the amendment offered by the gentleman. The letter is as follows:

OFFICE OF THE POSTMASTER GENERAL,  
Washington, D.C., August 21, 1961.  
Hon. TOM MURRAY,  
Chairman, Committee on Post Office and  
Civil Service, House of Representatives,  
Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for a report on the bill H.R. 7361, proposing to establish an annual limitation on publishers' second-class mail subsidies.

We are opposed to the enactment of this bill.

The bill fails to recognize that cost analysis and rate design are distinct and separate steps of the ratemaking process. The application of full costs as a criterion for second-class rate deficiencies would be inequitable and discriminatory in denying certain publications a rate differential for reading or editorial content.

The purpose of the legislation is to exact additional postage payments on the basis of deficient cost coverage of individual publications. If this is to be accomplished, it would be necessary to undertake meticulous cost surveys for numerous individual publications of diverse size, advertising content, and geographic distribution. Since these characteristics change frequently, cost standards would have to be flexible and subject to frequent revision. Moreover, the necessity for substituting individual cost studies applicable to the several classes of mail and services would unduly complicate the Department's cost determinations and the problems of justifying adjustments in postal rates.

We estimate that substantial expenses would be incurred annually to maintain an adequate system of accounting for the handling costs of individual publications. Neither the Postal Policy Act of 1958 nor the hearings which preceded its enactment indicate it was the intention of the Congress that such detailed records should be maintained by the Department.

Should H.R. 7361 be enacted, the burden of additional administrative costs would not be limited to accounting functions. Publishers' protests against additional postage assessments would spark an endless chain of complaints and controversies, including lawsuits.

A literal interpretation of the proposal suggests that the Postmaster General would be required to modify these rates each time a significant change occurred in salaries, transportation fees, or other cost components. Not only would these fluid rates present serious management problems to the Post Office Department, but publishing companies would be unable to budget their mailing costs with any reasonable degree of certainty.

It must be recognized that the publications principally affected by the proposed bill are those of larger weight and size for which cost coverage is greater than the average for all second-class matter, or even for other "magazines and periodicals of general interest."

Preferential rates have been charged for second-class mail to promote the educational, cultural, and religious development of our people. The dissemination of information over wide areas and to large groups has been considered an important unifying influence to the Nation. The proposed measure would reverse this policy established by the Congress more than a century ago.

We believe the second-class rates encompassed in the bill H.R. 7327, now before the Congress, are reasonable from the viewpoint of a more equitable sharing of postal costs among the various users of this class of mail.

I might say the rate they suggest has even been increased by the rate which is before us in the Murray amendment.

The last paragraph reads:

We have been advised by the Bureau of the Budget that from the standpoint of the administration's program, there is no objection to the presentation of this report to the committee.

Sincerely yours,

H. W. BRAWLEY,  
Postmaster General.

Mr. BOGGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. CHAIRMAN, I shall not consume 5 minutes. I should like to reiterate that the distinguished chairman of the committee, the gentleman from Tennessee [Mr. MURRAY], has worked very diligently to perfect an equitable bill which attempts as fairly as possible to distribute these costs.

The proposal offered by the gentleman from Pennsylvania would constitute a gross discriminatory approach. The notion that something is really bad because it is large is one that the people of this country have never accepted. The notion that an operation is necessarily profitable because it is big cannot be verified by fact; and finally, the notion of legislating because you may or may not like a particular publication is one I think would do great harm. So I hope we will support the gentleman from Tennessee and vote down this amendment.

Mr. Chairman, I cannot endorse the approach recommended by the gentleman from Pennsylvania.

His proposal would place a ceiling on the postage concession extended to any one publication in any single year. I have several basic objections to that proposal.

First, there is implicit in it a full-cost-coverage approach for a major portion of second-class mail. I believe that is inconsistent with the intent of the Postal Policy Act. In that act the Congress directed that letter mail, like the premium services of any public utility, should pay premium rates proportionate with the preferential services it receives. The collateral conclusion is that secondary mail, like magazines and newspapers, should pay less than costs. That differential pricing approach is sound ratemaking, but it would be rejected by the proposed amendment offered by my colleague from Pennsylvania.

Second. The proposed amendment is discriminatory since it advocates a different postage rate for each major second-class publication, depending upon its circulation volume. The proposed amendment would penalize growth by assessing higher postage rates against those publishers who have the largest circulation volumes.

Third. My able colleague from Pennsylvania assumes apparently that the publications with the largest circulation are also the most profitable and, hence, best able to pay higher postage. I am quite certain it is not axiomatic that the largest magazines are invariably the most profitable. Just to mention a few that faded in recent years: American Magazine, Collier's, Liberty, Woman's Home Companion, and Coronet—all of them big in terms of volume, but ap-

parently not in profits. Conversely, many small-circulation publications, serving specialized and limited markets, are highly profitable and better able to pay increased postage.

Fourth. In order to comply with the proposed amendment, the Post Office Department would be compelled to establish subsidiary accounting systems for numerous publications. There would be no way to avoid this onerous and costly recordkeeping system. Enactment of the proposed subsidy limitation bill would require continuous and meticulous surveillance of revenue deficiencies incurred for every large-circulation publication.

Each publication presents a unique accounting problem due to diversity of weights, density, advertising content, geographic distribution, and degree of premailing preparation by the publisher. With each issue of these publications, the Department would have to recompute its costs since publication characteristics which govern the Department's handling costs are highly fluid. Moreover, even if the publications' mailing characteristics were stable, the many elements comprising the Department's costs are subject to frequent change.

A literal interpretation of the proposal suggests that the Postmaster General would be required to modify the rates for individual publications each time a change occurred in salaries, transportation fees, or other cost components. Not only would constantly changing postage rates present serious management problems to the Post Office, but publishing companies would be unable to budget their mailing costs with any reasonable degree of certainty.

It is possible, of course, to approximate costs and revenues through less burdensome methods. But approximations can hardly serve as the basis for specific postage assessments which may amount to millions of dollars annually for some publishers. Supplemental postage charges based on estimated costs would surely invite an interminable chain of complaints, investigations, and adjudications. I believe it is no exaggeration to predict that the Department's cost justification problems would multiply as many times as there are individual records in place of the present single cost ascertainment standard. If the proposed amendment were enacted, a large share of the new postage revenues would be offset by additional administrative expenses.

It is my firm belief that the amendment offered by my distinguished colleague from Tennessee would be a much fairer approach consistent with the objectives of the Postal Policy Act. Through a general and uniform rate reformation, the cost-sharing burden in second class would be distributed equitably among all publications without added administrative costs and without recourse to a multiplicity of rates that single out the large publications for discriminatory and unduly heavy postage charges.

Mr. CORBETT. Mr. Chairman, I move to strike out the last word.



Mr. Chairman, as the last two speakers have pointed out, this proposal would result in a nightmare of bookkeeping and all kinds of reevaluations every time the operation changed its salaries, prices, or whatnot. Along with that it seems almost punitive and confiscatory to apply rates like this to certain publications.

I believe, therefore, Mr. Chairman, that this amendment should be defeated for the reason that it is administratively impossible, and it is confiscatory and discriminatory.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pro forma amendment in order to ask the gentleman from Pennsylvania a few questions. How much revenue would your amendment produce?

Mr. RHODES of Pennsylvania. I would say to the gentleman that in the first year the amount would not be large; there would be very little additional revenue the first year. Over the years the amount would be considerable.

Mr. GROSS. Cannot the gentleman give us some estimate of the increase in revenue?

Mr. RHODES of Pennsylvania. It depends on several factors. I understand the Murray amendment would raise the cost to Life magazine by approximately \$5 million. My amendment would raise the cost to approximately \$7 million the first year. There are going to be few magazines affected.

I think there is a principle involved here. We put a limitation on farm subsidies, and this matter of limitation is nothing new. It seems to me we can do the same in this field. Furthermore, I think the Post Office Department should set up some sort of ethical standards for these people who benefit from cheap rates, but that is another matter. What I am concerned with primarily is the principle involved. These people come here asking for Government subsidies for themselves, yet that is something they claim they are opposed to in other fields.

Mr. GROSS. I am surprised to hear opposition to the gentleman's amendment from his side of the aisle.

Mr. RHODES of Pennsylvania. I would say that over the long run it would produce considerable revenue. In the first year it might be just several millions of dollars.

Mr. GROSS. The House increased third-class rates a few moments ago to the point where it will drive many users of the mail out of business.

Mr. RHODES of Pennsylvania. I would have no objection to the gentleman offering an amendment, if he cares to.

Mr. GROSS. No; I am surprised that if it will produce the revenue indicated that there is opposition to the gentleman's amendment from his side of the aisle. I would not vote for it.

Mr. RHODES of Pennsylvania. I think there is a matter of principle involved. The gentleman has always been a consistent critic of Government subsidies, Government handouts. I thought I could count on the gentleman's support on this amendment.

Mr. GROSS. Is the gentleman speaking of me?

Mr. RHODES of Pennsylvania. Yes.

Mr. GROSS. I am just expressing surprise that there is opposition from those on his side of the aisle who seem bent on grabbing revenue no matter what the consequences.

Mr. RHODES of Pennsylvania. I am surprised that the gentleman from Iowa is not opposed to this handout.

I might say that these same magazines benefit in the so-called foreign aid programs by receiving certain subsidies.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RHODES].

The amendment was rejected.

Mr. MURRAY. Mr. Chairman, I ask unanimous consent that all debate on my amendment and all amendments thereto close at 5 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. GROSS. Mr. Chairman, I object.

Mr. MURRAY. Mr. Chairman, I ask unanimous consent that all debate on my amendment and all amendments thereto close at 5:15.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. GROSS. Mr. Chairman, reserving the right to object, why must this bill be rushed through today? There are many Members who have amendments.

Mr. MURRAY. We are not rushing it through at all.

Mr. GROSS. If you are going to close debate at 5 o'clock, and if all of these gentlemen have amendments to offer, then you are rushing it through.

Mr. MURRAY. Mr. Chairman, I move that all debate on my amendment and all amendments thereto close at 5:30.

The question was taken; and on a division (demanded by Mr. Boegs) there were—ayes 103, noes 59.

So the motion was agreed to.

Mr. ASHBROOK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASHBROOK. Mr. Chairman, is it the understanding that the Chair will apportion the time between Members having remaining amendments?

The CHAIRMAN. The Chair will attempt to divide the time equally.

The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: Page 9, strike out all of section 11.

Mr. RYAN. Mr. Chairman, I rise in opposition to section 11 which in effect establishes a program of censorship and interception of incoming foreign mail.

President Kennedy on March 17, 1961, after consultations with the Secretary of State, the Postmaster General, the Secretary of the Treasury, and the Attorney General announced, "discontinuation immediately of the program of intercepting Communist propaganda from

abroad." The President said that the program served "no useful intelligence function" but instead hindered "our efforts to improve cultural exchanges with Communist countries." During the Eisenhower administration the National Security Council's Planning Board unanimously recommended discontinuing the program.

Experience with the past program shows that this leads to censorship, interference and interception of the mails. The term "political propaganda" is so vague and all encompassing that a wide variety of mail would be subject to the provisions of this bill. There is no definition of the term "political propaganda" in this bill.

However, the Subversive Activities Control Act defines political propaganda as follows:

Any . . . expression . . . reasonably adapted to . . . prevail upon, indoctrinate, convert, induce, or in any other way influence a recipient or any section of the public within the United States with reference to political or public interests, policies, or relations of a government of a foreign country or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States or promote in the United States racial, religious, or social dissensions.

In the past this program has held up mail addressed to students, scholars, journalists and persons of all political hues. The columnist, George Sokolsky, on being told that some of his foreign originated mail had been held up replied angrily:

The theory of your advice is that I am entitled to special privileges. But I do not want privileges. I want these publications because I subscribed to them. They can do me no greater harm than some American publications I buy. If I am to be saved from my reading habits, I do not want it done by the Post Office, the business of which is to deliver the mails. (The Saturday Review, Apr. 23, 1955.)

The Department of Justice has written to the House Un-American Activities Committee opposing similar legislation. Byron White, Deputy Attorney General, said:

It is clear that it is the purpose of the proposed legislation to require filing and labeling of political propaganda imported from Soviet bloc countries, but the provisions of the proposed amendments are in such broad general terms that they are applicable as well to material imported from democratic countries. Obviously this provision would be unduly burdensome on the public.

There is a serious question as to the constitutionality of section 11. On the floor of this House on September 18, 1961, the distinguished chairman of the House Un-American Activities Committee, Mr. WALTER, commented on this very amendment. I should like to recall his words:

But I am afraid if we adopt something that will not stand the test of the courts this futile gesture will delay the time when we can do something constructive. . . .

Any program such as that proposed by the Post Office and Civil Service Committee would create the false impression that the American people are so naive and gullible

that they cannot be exposed to Communist propaganda without the danger of their being adversely influenced or corrupted by Communist doctrine. Such a program would also create the impression that the American people are incapable of recognizing and rejecting Communist political propaganda much of which is false and absurd on its face. (CONGRESSIONAL RECORD, vol. 107, pt. 15, p. 20052.)

I firmly believe that the citizens of the United States have the good sense and judgment to evaluate the reading material to which they subscribe or which they receive gratuitously in the mail. The supporters of this proposal in effect accept the idea that in our democracy our citizens are unable to distinguish the true from the false. What are we afraid of?

Before approving this censorship proposal, the House should demand a thorough examination of the basic premise of this proposal and learn the views of the President and the Attorney General and appropriate Government agencies. The administration is not in favor of this. Anyone with confidence in our institutions and our free and open society should oppose it and support my amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LINDSAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Chairman, I oppose the Cunningham amendment which would grant unlimited powers to the Postmaster General and to the Attorney General of the United States to censor the mails. Under the amendment the Postmaster General "shall not permit the receipt, handling, transport, or delivery by the U.S. Post Office Department of mail determined by the United States to be Communist political propaganda."

There are no definitions, no standards, no statutory guidelines. No Attorney General or Postmaster should have such broad, unlimited powers. I doubt its constitutionality.

This kind of amendment was opposed by the Eisenhower administration, as it is by this administration. Both administrations have agreed against its practical good, as well as its constitutionality. Further, what are we afraid of? Why should not the American people judge for themselves. Under this amendment an arbitrary Attorney General could bar the London Economist from being mailed into and in the United States.

Why is it necessary that we come to this?

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

The question was taken; and on a division (demanded by Mr. RYAN) there were—ayes 2, noes 127.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARRY of New York:

On page 3, immediately following "Sec. 5." insert "(a)";

On page 4, immediately following line 18, insert the following:

"(b) The amendments made by subsection (a) of this section shall not apply to publi-

cations less than 5 percent of the contents of which consists of advertising.

"(c) Section 4359 of title 39, United States Code, is amended by adding at the end thereof the following subsection:

"(f) Subject to the minimum rates provided by section 4360(h) of this title, the rates of postage on publications of which less than 5 percent of the contents consists of advertising mailed in accordance with subsection (a) of this section are fixed by the pound as follows:

*"Rates in cents per pound or fraction thereof*

|  | Classroom publications | Other publications               |                           |                           |                           |
|--|------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
|  |                        | Mailed during calendar year 1961 | Mailed after July 1, 1962 | Mailed after July 1, 1963 | Mailed after July 1, 1964 |
| Advertising portion:                                     |                        |                                  |                           |                           |                           |
| Zones 1 and 2.....                                       | 1.5                    | 3.0                              | 3.15                      | 3.30                      | 3.45                      |
| Zone 3.....  | 2.0                    | 4.0                              | 4.20                      | 4.40                      | 4.60                      |
| Zone 4.....  | 3.0                    | 6.0                              | 6.30                      | 6.60                      | 6.90                      |
| Zone 5.....  | 4.0                    | 8.0                              | 8.40                      | 8.80                      | 9.20                      |
| Zone 6.....  | 5.0                    | 10.0                             | 10.50                     | 11.00                     | 11.50                     |
| Zone 7.....  | 6.0                    | 12.0                             | 12.60                     | 13.20                     | 13.80                     |
| Zone 8.....  | 7.0                    | 14.0                             | 14.70                     | 15.40                     | 16.10                     |
| Nonadvertising portion.....                              | 1.5                    | 2.5                              | 2.63                      | 2.75                      | 2.88                      |
| A publication of a qualified nonprofit organization..... |                        | 1.5                              | 1.5                       | 1.5                       | 1.5"                      |

On page 4, immediately following "Sec. 6." insert "(a)";

On page 5, immediately following line 6, insert the following:

"(b) The amendment made by subsection (a) of this section shall not apply to publications less than 5 percent of the contents of which consists of advertising.

"(c) Section 4360 of title 39, United States Code, is amended by inserting '(a)' after '§ 4360' and by adding at the end the following subsection:

"(b) The following are the minimum rates for each individually addressed copy of a second-class mail publication of which less than 5 percent of the contents consists of advertising:

*"Second-class minimum rates  
[In cents]*

|   | Mailed before July 1, 1962 | Mailed on and after July 1, 1962, and before July 1, 1963 | Mailed on and after July 1, 1963 |
|---|----------------------------|---|----------------------------------|
| For delivery within county of publication except when mailed free under sec. 4358(a) of this title..... | ½                          | ½   | ½                                |
| Classroom and nonprofit organizations publications.....   | ½                          | ½   | ½                                |
| Other publications for delivery beyond county of publication.....                                       | ½                          | ¾   | 1"                               |

Mr. BARRY. Mr. Chairman, in the general debate I mentioned that I wished to offer an amendment that pertains only to the classification of publications which have no advertising in them. I am sure that Members noticed when the Clerk read the amendment that there is a limitation of 5 percent. This 5 percent allowed in this type of classification is only so that they can advertise their own publication, because should they on one page of their publication say "Send in your renewal" that is classified as an advertisement. Therefore, my statement in general debate has not changed.

Mr. Chairman, what does this amendment propose to do? It basically preserves the children's magazines throughout the Nation, and it also, as I indicated in general debate, preserves the Catholic Digest with a circulation of 1 million copies.

Mr. Chairman, children's magazines are estimated at 6 million or 7 million monthly circulation. Now, the rate which they will pay under the proposal which I have made is double the rate that they have been paying. This prevents the rate going to triple the rate which they are now paying.

Mr. Chairman, the amendment which I have proposed to the amendment offered by Chairman MURRAY relates exclusively to an exception from the rate increase provided for second-class publications. In my judgment, those publications with more than 95 percent editorial content should not experience the rate increase provided in Mr. MURRAY's amendment. Accordingly, I have proposed by my amendment that all periodicals with less than 5 percent advertising content should have a 5-percent pound rate increase over the next 3 years with a minimum per copy increase from one-half cent to three-fourths cent effective July 1, 1962, and finally to 1 cent on July 1, 1963.

There are a number of periodicals and publications such as Child Life, Children's Magazine, Catholic Digest, Jack and Jill, and so forth, which are almost exclusively devoted to editorial content and are not designed for the purpose of advertising. These are all fine publications and in my judgment are entitled to separate treatment.

Prior to 1958 advertising zone rates of postage were not changed on publications with less than 5 percent advertising. The flat rate for editorial matter was charged on the entire publication. In the postal rate bill of 1958 this provision was eliminated from the law.



Publishers who carry 95 percent editorial content in their publications do not depend upon advertising to finance their publications. They must depend almost entirely upon subscription revenue. These publications are performing a service to their subscribers by furnishing them cultural material which justifies lower rates of postage than the rates for publications which carry large amounts of advertising.

Mr. Chairman, I propose that we adopt this amendment which will return to the policy existing prior to this date. It is estimated that the cost of my amendment in terms of reduced revenues below the revenue provided in Mr. MURRAY's amendment for second-class mail would be approximately \$10 million annually. I feel this is completely justified and I urge the Members to support my amendment.

The CHAIRMAN. The time of the gentleman from New York [Mr. BARRY] has expired.

The question is on the amendment offered by the gentleman from New York. The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANDRUM].

Mr. LANDRUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANDRUM to the amendment offered by Mr. MURRAY: On page 3, following line 16, insert the following:

"Sec. 5. Paragraph (1), subsection (a), section 4358, of title 39, United States Code, is amended to read as follows:

"(1) resides in the county in which the publication is published; and"

And redesignate the following sections accordingly.

Mr. LANDRUM. Mr. Chairman, this is a very short amendment which seeks to correct a very large inequity in the present law. Under postage rates, within county of publication, we find these provisions: One copy of each of a publication admitted as second-class mail matter may be mailed free to each actual subscriber if the subscriber first, resides in the county in which the publication is printed in whole or in part, and which it is published; and second, receives his mail at an office at which letter carrier service is not established.

Mr. Chairman, if the subscriber meets those two provisions of the law he can receive from the publisher of this county newspaper free mailing in the county. But with the increased cost for printing presses and with the great capital outlay necessary to maintain rural printing establishments, many newspapers—small weeklies—have found it necessary to go outside the county and contract for the actual printing of their paper. And, though, the paper is actually printed outside the county of its publication, it is nevertheless addressed and subscribed to through the mail and all advertising sold in the county.

Mr. Chairman, I submit that this puts an inequity on many of the small newspapers, and trust that we will correct it by adopting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. LANDRUM].

The amendment was agreed to.

Mr. JAMES C. DAVIS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. JAMES C. DAVIS. Mr. Chairman, I announced on the floor yesterday that I was prepared to vote for the postal rate bill with the exception that the Murray substitute carried an increase of 1 cent per copy on newspapers mailed out of the county of publication, to which I am opposed. I had hoped the Murray substitute would be amended to eliminate this increase, which is going to place an extremely burdensome rate on some small newspapers.

I offered an amendment to eliminate this burdensome increase on small newspapers. It was defeated.

When I made my statement yesterday the rate on controlled circulation publications was carried in the Murray substitute at 12 cents per pound. I was willing to vote for that, although that class of magazine now pays a rate of postage  $2\frac{1}{2}$  times as much as magazines such as Time, Life, Look, and so forth. The Murray substitute was amended to increase controlled circulation to 14 cents. That is a great injustice, and I cannot support the bill with that provision in it.

Mr. Chairman, for these reasons I cannot support H.R. 7927, and I will have to vote against it.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK to the amendment offered by Mr. MURRAY to H.R. 7927: Page 3, immediately following line 16, insert the following:

"Sec. 5. (a) Section 4358 of title 39, United States Code, relating to postage rates within county of publication, is amended to read as follows:

"§ 4358. Postage rates within county of publication.

"(a) Subject to the minimum rates provided by section 4360 of this title, the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows—

"(1) if mailed for delivery by letter carrier at the office of mailing:

"(A) publications issued more frequently than weekly, 1 cent a copy;

"(B) publications issued weekly, 1 cent a pound;

"(C) publications issued less frequently than weekly—

"(1) weighing two ounces or less, 1 cent a copy;

"(ii) weighing more than 2 ounces, 2 cents a copy.

"(2) if mailed for delivery at the office of mailing through post office boxes, general delivery, or by rural or star route carrier, 1 cent a pound.

"(3) if mailed for delivery at an office other than the office of mailing, 1 cent a pound.

"(b) When copies of a publication are mailed at a post office where it is entered for delivery by letter carrier at a different post office within the delivery limits of which the headquarters or general business office of the publisher is located, the rate of postage is—

"(1) the rate that would be applicable if the copies were mailed at the latter post office, or

"(2) the pound rates from the office of mailing if those rates are higher."

(b) The table in section 4360 of title 39, United States Code, relating to minimum postage, is amended by striking out "except when mailed free under section 4358(a) of this title".

And renumber the succeeding sections accordingly.

Mr. ASHBROOK (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Chairman, this is a rather simple amendment. We heard quite a bit of talk today about rates being too high. By this amendment I am endeavoring to increase a rate from zero to 1 cent per pound, to replace the free-in-county privilege of newspapers. Bear in mind that this is "free in county," and I emphasize the word "free." A great number of our newspapers are entitled to send all of their papers out on the day of publication free within the county of their publication.

I maintain that at a time when we are in financial embarrassment as far as our Government is concerned, it is absolutely inconceivable that we should allow any organization to send a profit-making paper free. I happen to be a newspaper publisher. To me it is inconceivable that I should be able to send 60,000 to 70,000 newspapers a year free when I am charging \$4.50 per year subscription rate.

I would also point out that this is less than what was in the original bill, H.R. 6418. I appeared on Wednesday, June 7, to testify on a bill offered by the gentleman from Tennessee [Mr. MURRAY], which would have charged  $1\frac{1}{2}$  cents per pound and one-fourth of 1 cent per piece. This amendment seeks only 1 cent a pound. We have compromised quite a bit on it, but, as I said, any increase over zero is substantial. I ask your support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHBROOK].

The question was taken and the Chair announced that the ayes appeared to have it.

Mr. MURRAY. Division, Mr. Chairman.

The CHAIRMAN. Division is demanded by the gentleman from Tennessee.

Mr. GROSS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Did not the Chair state that the amendment was agreed to?

The CHAIRMAN. The gentleman from Tennessee [Mr. MURRAY], was on his feet and demanding a division at the time.

The Chair will count.

The question was taken; and on a division (demanded by Mr. MURRAY), there were—ayes 37, noes 91.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARSHALL of Minnesota to the amendment offered by Mr. MURRAY of Tennessee. On page 3, line 25, insert the words "or religious" immediately before "publications".

And on page 4, line 10, insert the words "or religious" immediately following "a classroom".

And on page 4, line 14, insert the words "or religious" immediately following "other than classroom".

And on page 5, line 1, insert the words "or religious" immediately following "a classroom".

Mr. MARSHALL. Mr. Chairman, this is the amendment I spoke of earlier in the day. It seeks to continue the present postal rates for religious publications just exactly as they are now. It does not make any change. The Murray amendment, unfortunately, places the future of these magazines in jeopardy. I do not think the Members of the Congress intend to do this.

Mr. Chairman, this is a question of vital importance. These religious magazines render tremendous service in the national interest, both at home and abroad. It seems to me that this amendment ought to be adopted so that these magazines will not be hindered in this most important work. I do not believe a Member of the Congress has ever received a letter from a constituent objecting to the exemption we have already granted to religious publications. These magazines make a real contribution far exceeding the insignificant revenues involved in the amendment.

Mr. Chairman, I urge the adoption of my amendment.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Illinois.

Mr. COLLIER. I am not opposed to the gentleman's amendment, but I would like to know how you would define a religious magazine? What portion of the matter contained in the magazine should be for spiritual guidance and what portion for other matters?

Mr. MARSHALL. I point out to the gentleman that the Post Office Department has experienced no difficulty in that respect in the past.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, what the gentleman seeks to do is to change the basic law on the definition of profit and nonprofit organization. As long as these magazines are classified as nonprofit, they qualify. When the gentleman seeks to extend the definition of religion to profit organizations, it is not at all inconceivable that the Saturday Evening Post or any other magazine which runs a religious article might not seek to qualify. This would create pandemonium and I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MARSHALL] to the amendment offered by the gentleman from Tennessee [Mr. MURRAY].

The amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, I rise in support of the amendment offered by Chairman TOM MURRAY which is in the nature of a substitute for the bill to increase postal rates which was reported by the House Post Office and Civil Service Committee.

The tremendous annual postal deficit which has now increased to \$832 million annually is a condition which should be corrected immediately. Following the enactment of the postal rate bill in 1958, the Eisenhower administration recommended an increase in postal rates to eliminate the postal deficit in 1959. Again, in 1960, the Eisenhower administration recommended appropriate and reasonable increases in postal rates to eliminate the ever-increasing postal deficit. Had this action been taken by the Congress, the enactment of this postal rate bill would be unnecessary. However, those of us who believed in fiscal integrity in the postal service, including the distinguished chairman of our committee, could not find enough support for our position to have a bill considered by the Congress.

Conditions today are not much different except that the postal deficit has increased over the past 3 years to a point where further delay means not only further unbalancing the budget but it means a tremendous increase in interest payments on the national debt which is represented by the annual contribution to the national debt of the postal deficit.

The weak and completely inadequate bill which the committee has reported should be rejected and in its place should be substituted the proposal of Chairman MURRAY. The committee bill places the burden of increased postal rates almost entirely on the first-class mail users and only token increases were provided in second- and third-class postal rates.

One important difference between Chairman MURRAY's proposal and the committee's bill is that rate increases on second-class mail—magazines and profit publications—would be increased from \$21 million annually to \$53.4 million annually by reason of a per piece charge of one-half cent on each periodical, maga-

zine, or publication effective July 1, 1962, and an additional one-half cent increase effective July 1, 1963.

The second important change proposed by Chairman MURRAY's amendment relates to third-class mail—circulars, advertisements, and certain books and catalogs. The revenue from rate increases on this class of mail would be increased from the committee's proposal of \$57.3 million annually to \$93 million annually under Chairman MURRAY's proposal. This is accomplished in large measure by increasing the minimum per piece charge for this class of mail from 2½ cents to 3 cents.

Chairman MURRAY's amendment makes no change with respect to the committee's recommendation on first-class mail which provided an increase to 5 cents per ounce for letters and 8 cents per ounce for airmail.

The other major difference in Chairman MURRAY's proposal is that \$248 million annually would be allocated as the amount which represents the public service activities performed by the Post Office Department for other departments and agencies of the Government and for the mailing public generally. The committee's proposal, on the other hand, would have established the public service costs at \$342 million annually. In my judgment, the proposal of Chairman MURRAY is more realistic and more accurate with respect to the provisions relating to these public service items.

In terms of actual revenue, Chairman MURRAY's proposal would increase postal revenues by \$622 million annually while the committee bill would raise only \$551 million annually. The proposal which I support would provide a more equitable distribution of postal rate increases for second- and third-class mail as compared with the rate increases in first-class mail. In my judgment, it is most improper for the Congress to ask the average first-class mail user which is the general public to accept the overwhelming burden of the postal rate increase and permit only token increases for second- and third-class mailers who use the postal service in their businesses and whose mailing costs are deductible as legitimate items of expense in connection with determining the amount of taxes they pay to Federal, State, and local governments.

Mr. Chairman, it is my earnest hope that the Members of the House will approve this amendment offered by Chairman TOM MURRAY and that it will reject amendments thereto which might distort the postal rate increases as was the case in the bill reported by our committee. As a practical matter, I was inclined to support the original bill introduced by the chairman which provided even higher rates than those in the amendment which he now proposes. However, after lengthy hearings on this matter, I am convinced that a rate increase such as that proposed in his amendment is fair to all of the users of the mail in view of the generous and liberal public service allocation of \$248 million annually to postal operations.



In my opinion, the vast majority of the Members of the House are at last convinced that a postal rate bill is necessary. I am pleased that this appears to be the general conclusion of my colleagues, because it would be regrettable if, indeed, in this period of our history, we did not take whatever action is necessary to prevent passing this tremendous annual postal deficit on to future generations.

The enactment of this measure will merely say that the people who use the postal service should pay for that service. If they do not pay for it under these increased postal rates, all of the taxpayers of the Nation will go on having to pay the bill. In other words, revenues which are raised by the income tax and other taxation will necessarily have to pay for this postal service and thus the users of the mail will be the beneficiaries of such a policy.

The American people have the right to expect that the Post Office Department should be run on a sound fiscal basis. This legislation, particularly the amendment offered by Chairman MURRAY, is the only way this fiscal responsibility can be restored in the operation of the postal service. Mr. Chairman, I urge favorable action on this legislation and I solicit my colleagues to support the amendment proposed by Chairman MURRAY.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBERTS: On page 4, line 1, after publication insert "exceeding three ounces in weight which are".

On page 4, line 12, after rates, strike out the period and insert "applicable to publications exceeding three ounces in weight."

On page 4, line 14, after the word publications insert "exceeding three ounces in weight".

On page 4, line 18, after the period strike out the quotation and insert "Publications weighing three ounces and less other than classroom publications and other than publications of qualified nonprofit organizations—five-eighth cent effective on and after July 1, 1962, and before July 1, 1963; and three-fourths cent, effective on and after July 1, 1963."

Mr. ROBERTS. Mr. Chairman, this amendment would not favor or discriminate in favor of lightweight publications but would simply afford them the same treatment as far as rate increase and getting a mail subsidy is concerned that is now applied to what we call the slick magazines. They will still take almost the same rate, since under my amendment they will take five-eighths of a cent during the first step and it will be pegged at three-fourths of a cent instead of 1 cent as in the case of the Murray amendment.

This is designed primarily to protect the small weekly and monthly papers which are primarily concerned with local happenings, and get very little in the way of paid advertisement. I think the comparison is 20 percent for these little

papers whereas the other magazines go as high as 63 percent.

Mr. WATTS. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield.

Mr. WATTS. Mr. Chairman, I want to evidence my strong and wholehearted support and advocacy of the amendment offered by my friend and colleague, the alert and distinguished gentleman from Alabama, Congressman KENNETH ROBERTS, respecting the treatment to be accorded our newspapers under this proposed postal rate increase program.

To me, it is a choice between two evils. I have no alternative.

Representing as it does, the overall, comprehensive—though oftentimes politically controlled and slanted—information medium, there is some question in my mind as to whether or not the newspapers of our country should bear the burden of any increase in postal rates. Certainly, in weighing the equities of the problem, substantial consideration must be extended the great service that the press renders the Nation and its people.

It is my personal feeling—and a most strong one it is—that no one can reasonably deny the importance of the role of our newspapers in educating and sustaining the education of an informed, alert and intelligent public which is responsive to and knowledgeable about the daily affairs of its Government.

Certainly, in a democratic society such as ours, this role cannot be taken lightly, particularly in one which includes heavy concentrations of rural areas where the newspaper oftentimes represents the sole medium of communication with the world about them. Only an informed citizenry can undertake the responsibilities as well as enjoy the privileges of representative democracy. Given the significance of the press, it is intolerable and unthinkable to impose upon it additional financial burden, a burden which could seriously affect its continued existence in many areas of our Nation.

Financially, the old adage, "figures speak for themselves," is a truism. Thus, there can be no argument against the statement that the recent past has witnessed a heavy increase in the number of newspapers which have been forced to consolidate or discontinue their operations. Such action was not because of a profitable position, nor bad management. It was primarily due to increased costs of operations, materials, supplies, equipment, et cetera, and merging was the only way out for those dedicated publishers who desired to continue to be a party to this service to public and Nation. So, can we here, in the light of the record and these facts participate in giving birth to legislative action conceived with the idea of perpetuating this trend of failures and combines, but at a greatly accelerated pace?

Though not in accord with such thinking, I would say if postal operations and a sense of equity demand that this class of mail be included, then the 50-percent increase over an extended

period of time which the amendment proposed by my friend from Alabama suggests is far more practical than the treatment accorded under H.R. 7027 as amended, and/or the Murray amendment. Thus, this great media of communication, would participate with other "mails" in sharing the increased operating expenses of the Department. Though representing little significance in balancing the operating budget of the Department, when the services are placed in proper perspective and comprehensively evaluated, I have no hesitancy in saying that the increase proposed by my colleague, Congressman ROBERTS, is just and equitable and in proper proportion.

Mr. MURRAY. Mr. Chairman, are these profitmaking magazines?

Mr. ROBERTS. My amendment has nothing to do with magazines—just small newspapers. I cannot conceive, Mr. Chairman, that a magazine that would not weigh more than 3 ounces—

Mr. MURRAY. I mean the nature of the magazine; are they profitmaking?

Mr. ROBERTS. You do not understand the amendment. The nonprofits are already exempt. We have certain organizations that fall in the twilight zone where they have some paid personnel and have not been granted exemptions by attorneys general of the various States.

Mr. MURRAY. Then, of course, they are not nonprofit.

Mr. ROBERTS. Not strictly. I can name the county weeklies and some with statewide farm and rural subscribers and some other groups that would be covered under this amendment. They are not strictly nonprofit. Why do you want to impose the greater rate on small, family-type papers than you ask on weighty-slick-paper magazines which enjoy national advertising?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. MATHIAS].

Mr. MATHIAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MATHIAS to the amendment offered by Mr. MURRAY: On page 6, in the table immediately following line 4, strike out:

"(B) Other matter..... 16 | Do."

And insert in lieu thereof the following:

"(B) Regular publications which are issued at stated intervals and as frequently as 26 times a year; which are mailed for delivery in the first zone; which are presorted and precanceled and delivered to the post office in bundles arranged in order of distribution..... 16 | Do."

"(C) Other matter..... 18 | Do."

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. MATHIAS. I yield to the gentleman.

Mr. ASHBROOK. Mr. Chairman, in this motion to amend the amendment of the gentleman from Tennessee [Mr.

MURRAY] I am offering the committee an opportunity to vote against a subsidy which has been in effect for over 100 years. We have talked a great deal about rates being too high. Here is a rate which is zero so any amount it is increased will probably seem large.

Newspaper publishers have enjoyed what is called a free-in-county mailing privilege for over 100 years. In other words, newspapers published in a county may be mailed free within that same county—regardless of number—to any subscriber providing he does not receive his mail at a post office which has letter carrier service.

In the last session of Congress, I introduced H.R. 7420 which would end this free mailing privilege. It seems inconsistent that we should allow a profit-making business to use the mails free at the same time we are asking the first-class mail user to pay for a 5-cent stamp instead of a 4-cent stamp. The provisions of my bill, H.R. 7420, are basically contained within this amendment with a few changes.

When I appeared before the Post Office and Civil Service Committee on June 7, 1961, to support my bill, there was before the committee at that time H.R. 6418, introduced by the chairman, Mr. MURRAY, of Tennessee, which would have abolished in free-in-county privilege and instituted rates of 1½ cents per pound and one-fourth cent per piece on these newspapers. My amendment would institute only a one-cent-per-pound charge. For some reason the new Murray amendment leaves this provision of the old H.R. 6418 completely out and continues this unexcusable subsidy.

Mr. Chairman, at a time when we admittedly have a financial crisis, it is inconceivable that we should have free mailing privileges to newspapers. The subsidy, like so many, was a good one when it was enacted in the mid-19th century to encourage the dissemination of news and information to a frontier people. I would suggest that there is no basis for it now. It is an indication of what happens to most subsidies. They perform their intended use and then are continued.

The other area we should attack is the junk-mail privileges of Members of Congress. A Congress which voted itself a big increase in this unnecessary privilege in the final day of the last session would hardly take it away now so I see no need of introducing an amendment on that point but I would urge all of the Members to support this amendment which is fair and equitable.

Mr. JENSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JENSEN. How much time will be allowed in support of this amendment?

The CHAIRMAN. The time has been allocated under the motion to limit debate.

Mr. JENSEN. Will I have any time in support of the amendment?

The CHAIRMAN. Not unless the gentleman's name is on the list.

Mr. FEIGHAN. Mr. Chairman, inasmuch as the time of the gentleman from Maryland has already been exhausted, may I yield my minute and a half to him?

The CHAIRMAN. If there is no objection.

Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOGGS. Mr. Chairman, I ask unanimous consent that the amendment may be reread by the Clerk.

Mr. GROSS. Mr. Chairman, reserving the right to object, is this coming out of the gentleman's time?

The CHAIRMAN. It is coming out of the time allotted for general debate which closes at 5:30. There will be a loss of time to succeeding Members.

Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Yes; I object.

The CHAIRMAN. The gentleman from Maryland is recognized.

Mr. MATHIAS. Mr. Chairman, the purpose of this amendment is to define a category of third-class mail to which will be admitted community and shopping newspapers which cannot qualify for second-class privileges because they are distributed free or contain less than the required percentage of editorial matter.

Under my amendment the rate for this type of bulk third-class mailing would continue to be 16 cents per pound with a minimum rate of 2½ cents per piece. This is the present rate charged these publications and therefore is not a reduction in rates.

This type of newspaper originated many years ago to fill a need of the neighborhood merchant for an advertising medium to carry his sales message into every home in his trading area. As a specialized form of publication, they were too few in number to require special consideration by the Post Office Department. Since World War II, however, their growth has been rapid, keeping pace with the population explosion, the growth of suburban areas, and shopping centers to serve these areas.

It is estimated that there are now approximately 1,000 of these publications and it is felt that a separate mail category is now warranted.

All of these publications are strictly local in character and coverage. They carry community news, local pictures and service features. In many localities such publications are one of the limited media available to the small merchant to service his trading area with his advertisements at a cost he can afford. The fact that the same merchants use them week after week is evidence of their productivity and value to the economic life of the communities they serve.

I have been advised that postal officials and experts in the handling of mail concede that these publications pay the full cost of handling their mailings under the present rate of 16 cents per pound, 2½ cents minimum per piece. As a matter of fact, many feel that the post office actually realizes a small profit

at the present rates because of the limited service these publications require.

They are mailed on predetermined days so the post office is geared in advance to handle them. They deliver their papers to the post office in the most convenient form for distribution, pre-sorted and precanceled and in bundles by routes arranged in order of distribution on each route. The carrier merely chooses the correct bundle and distributes from the top down. The cost in time and money of sorting and racking, which is required by other third-class mail, is completely eliminated. This in itself is an important saving to the post office.

Under present postal regulations, these publications are handled as regular third-class mail, although they bear no resemblance whatsoever to other matter included in this category of mail.

These publications are mailed for delivery in the first or local zone only. Yet their cost of handling is figured as part of other third-class matter, which is mailed for delivery throughout the United States.

It is obvious that it costs the post office more to deliver a piece of mail to an address so far distant that the process of delivery requires the piece to be canceled and sorted at point of entry, sorted again and rerouted on the train, opened and sorted again at point of destination and then sorted and routed by the local carrier, than it does to deliver a piece locally with a minimum of handling.

The public has a right to know of the products and services available to it. In this day of new and improved products and services, whose production and sale promote employment, greater prosperity and a higher standard of living, advertising is news, very important news, the widespread dissemination of which should be encouraged.

I am informed that "shoppers" cannot absorb an increase in the present rate. Should they be driven out of business by failure of Congress to recognize their value to our economy, small businesses will be prejudiced, and thousands of citizens employed by these publications and allied businesses. In addition, the Post Office would lose one of the few customers which pays its full cost.

Under present regulations these publications are charged for delivery of their mail to local addresses on the same basis as third-class matter, which must be carried across the continent and handled many times before delivery to addressee. These publications want no subsidy. They want to pay 100 percent of the costs of handling their mail, but not costs for services which they do not receive.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MATHIAS. I yield to the gentleman from Iowa.

Mr. JENSEN. Mr. Chairman, I rise in support of the gentleman's amendment. I would like to read a telegram which I



received from a shopper's guide publisher, as follows:

Additional raise in third-class bulk mail minimum change as proposed in Murray bill cannot be justified. I mail about 4,000 papers each mail. All delivered within 25 miles, and pay 2½ cents per copy. This same paper could be printed in Boston and all 4,000 copies mailed to San Diego, Calif., at the same rate per copy. This is unfair and demands correction.

Post Office Department already makes a profit on my paper and should not raise my rate further. This applies to all shopping guides and free newspapers because all such publications are delivered a few miles from the post office where they are mailed. I repeat, Post Office Department already makes a profit on this mail.

The Audubon Post Office in 1961 did total volume of \$55,000, and 10 percent of this was paid by the Audubon County Shopping Guide which I publish. Is it reasonable to assume that 10 percent of the time and effort of all dozen or so postal employees here are devoted each week to handling my 4,000 papers? No reasonable person would think so.

Some special consideration by the Post Office Department—repeat, must—be given to the rate charged local shopping guide or many of us will be forced out of business. There are about 1,000 shopping guides in America today. This is an urgent problem for all of us.

JOE SKLENAR,  
Publisher, Audubon County Shopping Guide, Audubon, Iowa.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. MATHIAS].

The amendment was rejected.

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK to the amendment offered by Mr. MURRAY: On page 9, immediately preceding the effective date section, insert a new section 12:

"REFUSAL OF THIRD-CLASS MAIL

"Section (e) (1), chapter 53 of title 39, United States Code, is hereby amended by inserting at the end thereof the following new section:

"4061. REFUSAL OF THIRD-CLASS MAIL

"The Postmaster General shall issue such regulations as may be necessary to permit a postal patron to refuse all third-class mail destined for his address.

"The Postmaster General may return such refused third-class mail to the sender under such conditions, and upon the payment of such charges, as he may prescribe, except that the charges shall not be less than an amount which will reimburse the Post Office Department for the approximate costs incurred by the Department for such special service."

Mr. VANIK. Mr. Chairman, the purpose of this amendment is very simple. It would reach most of the criticisms we find with respect to third-class mail. The recipients of unwanted third-class mail today have two alternatives: They must sort the mail and discard it, or they may mark it "Refused." It frequently happens that he discards important mail while sorting through the unwanted third-class mail. This amendment simply makes it possible for the patron to refuse his third-class mail at the post office before it is delivered to his home. The postal patrons burdened with unwanted mail would be relieved of this burden. The advertisers would in

this process revise their mailing lists. This amendment will not increase the cost either to the Government or to the advertisers, but it will provide relief for those who seek it, and it may, in the long run, preserve the status of third-class mail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VANIK].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, the gag rule applied to this bill is in keeping with the entire history of it. Here is a bill that will impose what amounts to a tax of more than half a billion dollars upon the majority of the citizens of this country with more than \$400 million of this amount coming from first-class, air-mail, and postal cards. Yet we are called upon to dispose of this bill in about 4 hours. I do not know whether the majority leaders have any business for tomorrow or the next day or the day after that. If so, it has not been announced, and if they have, I would like to know what it is. Why is this gag rule imposed upon the Members of the House, limiting the time for explanation of amendments to a minute and a half, with almost no opportunity for others to support or oppose amendments? Why do the Democrat leaders want to ram this down the throats of Members of the House today when there is no business scheduled for the rest of this week? I promise Members of the House here and now that if I can prevail you are going to be in session each day from now through next Friday.

The CHAIRMAN. The chair recognizes the gentleman from New York [Mr. SANTANGELO].

Mr. SANTANGELO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SANTANGELO: On page 3, line 5, after "respectively", strike out the period and add the following language:

"Except that letters mailed for nonbusiness or noncommercial purposes shall be 4 cents an ounce or fraction thereof."

Mr. SANTANGELO. Mr. Chairman, this amendment is designed to bring equality of treatment to the users of first-class mail. We know that 80 percent of the users of first-class mail are business concerns or commercial enterprises and that 20 percent of the users are private people who use first-class mail for private purposes such as sending letters to members of their families across the country as well as in some instances paying their personal bills. But, we also know that the amount of money spent by business enterprises or commercial groups is a deductible item from income and comes off the top, and the Government stands 20 percent of the expense. This is not so with respect to the user who sends a private letter or a person who sends a letter to a friend. He absorbs the entire expense.

Now, this same issue arose in 1957 when I was a member of the Committee

on Post Office and Civil Service, and in asking the question of Mr. Stans, who was the aid to Postmaster General Summerfield, he said that a different rate between the two groups was administratively feasible, although somewhat inconvenient. We find that condition obtains with newspaper rates. There is a different rate for different categories of newspapers. The postal service can determine between a letter for private purposes or business purposes by seeing whether the address is written in long-hand or whether the return address is in long-hand, or whether the names are printed, stamped or typewritten. This amendment brings equality of treatment to users of first-class mail. Why should 180 million people pay the increase when they cannot deduct it if they are not in business and those in business can deduct it? We should encourage communication by our citizens, not discourage. Remember that first-class mail returns a substantial profit and makes up the loss on other classes of mail. I trust that this amendment will pass.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope this amendment will be voted down. I cannot see the need for it. It is discriminatory, as I see it. I therefore appeal to the membership of this body to vote it down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SANTANGELO].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, I take this time merely to make it very clear in the RECORD that I voted against the motion to limit debate. I spoke in favor of the Murray amendment, in spite of the exceedingly, in my judgment, unfortunate amendment that was adopted with respect to the third-class mail.

Mr. Chairman, I am going to vote for the Murray amendment. I think the realities of the matter are that this bill in the final analysis is going to be written in conference. I do want the record very clear, however, that I opposed the limitation of time on the debate. I think it represented a most serious deprivation of the rights of the Members of the House.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLSEN to an amendment offered by Mr. MURRAY: On page 3 delete everything on line 18 through line 25 and on page 4 delete everything on line 1 through line 5 and insert in lieu thereof the following:

"Sec. 5. Section 4359 of title 39, United States Code, is amended by striking out all of section (b), including the table therein, and inserting in lieu thereof the following:

"(b) (1) Subject to the minimum rate provided for publications of qualified nonprofit organizations and classroom publications by section 4360 of this title, the rate of postage on publications mailed in accordance

with subsection (a) of this section are fixed both by the piece as provided in paragraph

(2) of this subsection and by the pound as provided in the following table:

|  | "Classroom publications" | "Rates in cents per pound or fraction thereof" |                                  |                                  |                                |
|--|--------------------------|--|----------------------------------|----------------------------------|--------------------------------|
|  |                          | Other publications                             |                                  |                                  |                                |
|  |                          | Mailed during calendar year 1961               | Mailed during calendar year 1962 | Mailed during calendar year 1963 | Mailed after December 31, 1963 |
| Advertising portion:                                     |                          |  |                                  |                                  |                                |
| Zones 1 and 2.....                                       | 1.5                      | 3.0  | 3.15                             | 3.30                             | 3.45                           |
| Zone 3.....  | 2.0                      | 4.0  | 4.20                             | 4.40                             | 4.60                           |
| Zone 4.....  | 3.0                      | 6.0  | 6.30                             | 6.60                             | 6.90                           |
| Zone 5.....  | 4.0                      | 8.0  | 8.40                             | 8.80                             | 9.20                           |
| Zone 6.....  | 5.0                      | 10.0   | 10.50                            | 11.00                            | 11.50                          |
| Zone 7.....  | 6.0                      | 12.0   | 12.60                            | 13.20                            | 13.80                          |
| Zone 8.....  | 7.0                      | 14.0   | 14.70                            | 15.40                            | 16.10                          |
| Nonadvertising portion.....                              | 1.5                      | 2.5  | 2.63                             | 2.75                             | 2.88                           |
| A publication of a qualified nonprofit organization..... |                          | 1.5  | 1.5                              | 1.5                              | 1.5"                           |

and (2) by adding at the end of subsection (b) a new paragraph (2) as follows:

"(2) The piece rates of postage are charged on each individually addressed copy of a publication (except a publication of a qualified nonprofit organization and a classroom publication) mailed in accordance with subsection (a) of this section in addition to the pound rates. The piece rates are as follows:

"Publications other than classroom publications and other than publications of qualified nonprofit organizations—one-fourth of 1 cent, effective on and after July 1, 1962, and before July 1, 1963; and one-half of 1 cent effective, on and after July 1, 1963."

Mr. OLSEN. Mr. Chairman, in support of my motion I wish, first, to cite the fact that our committee after 7 months of hearing on the committee bill did conclude by vote in committee almost unanimously—I think with two dissents—that the determination of public service of the Post Office Department should be 7.5 percent of the Department's budget and that that figure was \$342 million for public service.

Mr. Chairman, now we are considering a bill which provides for only \$250 million in public service. I cite that figure—and I will extend my remarks in the RECORD on that subject so that the Members of the House may examine it in detail.

Mr. Speaker, when the Congress of the United States enacted the Postal Policy Act of 1958, we thought at long last we had resolved the principle of an adequate pricing for elements of public services in the Post Office Department that should not be charged to the mail users.

I recall that as early as 1954 a Senate committee found that public services amounted to approximately 12 percent of total costs; that in 1957 the same Senate committee made a determination that these costs might run as high as 14 percent. Since 1954, of course, air mail subsidies, and penalty and franked mail have been taken out of the Post Office Department for costing purposes and charged to the various Government agencies.

I believe the 7½-percent determination of the House Post Office and Civil Service Committee, amounting to \$342 million, is a good determination. This provision was sponsored by my colleague, Congressman GEORGE M. WALLHAUSER, and received strong support on the part

of the committee. Despite the amendment which has been offered here by our distinguished chairman, curtailing public services by approximately \$94 million, I am of the firm opinion that our great Postmaster General recognizes the impact of public services and the necessity for pricing them out on a "total loss" basis, as required by law.

In this connection, I should like to call the committee's attention to a speech made by the Postmaster General in Houston, Tex., on December 6, 1961. Because of its recognition of the many public services provided by our great Post Office Department, including small post offices and rural routes, I ask permission to have this statement included with my remarks in the CONGRESSIONAL RECORD at this point:

ADDRESS OF POSTMASTER GENERAL J. EDWARD DAY BEFORE THE NIMS ADVISORY COUNCIL, HOUSTON, TEX., DECEMBER 6, 1961

Mr. Chairman, distinguished guests, ladies and gentlemen, Houston is to the U.S. Post Office Department what the Oilers are to the American Football League—well, almost, anyway.

While Houston is not the largest of our post offices, it is certainly one of the best, and it ranks among the 20 biggest postal installations in the country, which make up about one-third of the national post office business.

As of the beginning of this fiscal year, Houston reported gross annual postal receipts amounting to about \$21 million and an annual mail volume of 878 million pieces—including 303 million pieces of first class originating mail.

The payroll for the Houston post office covers some 3,368 persons—more, incidentally, than are employed in several entire States.

Thus, Houston ranks favorably in a national establishment which employs some 580,000 men and women, and annually handles more than 65 billion pieces of mail a year—enough to fill a train of railroad cars stretched from Boston to San Francisco.

This represents two-thirds of all the mail handled in the world. In other words, we handle twice as much mail as all the other post office departments in the world put together.

Because of its size, the U.S. Post Office Department is often referred to as the biggest business in the world.

At a matter of fact, we are the largest civilian organization in the world. But we are not a business. Many of our operations and policies cannot be equated with private enterprise. They are, and should be, different. It is certainly not unusual for a postal operation to be compared to a private busi-

ness. In some countries, indeed, the similarity is very close.

For example, in England, the post office not only sets its own postal rates and operates at a profit, but it pays income taxes on its profits and real estate taxes on the buildings it owns, just as a private business would.

There are some important parallels between the Post Office Department and a private corporation. But there are equally important differences. The Department's operations and mission are quite different from those of a private business and that is as it should be. But we seek to use the best techniques and ideas of private firms in the operation of the public's business.

First, let me cite one good example of the difference between the Post Office Department's public operation and the operation of a private enterprise.

Sixty years ago, we had over 70,000 post offices, most of them to serve rural America. Since that time, about half of that total have been closed up. These were mainly post offices serving very small communities, which shrank further in size or disappeared altogether.

But a great many of our post offices are still in small villages and many of our 30,000 rural delivery routes are in sparsely populated areas where there may be as few as two house to the mile.

Now were we a distribution and communications system operated purely for profit, we would have to discontinue a great many of these small post offices and rural routes. From a strictly dollars-and-cents point of view, many of them do pay their own way. But in fulfilling our obligation to provide service to all the people in all the 50 States, we in the Post Office Department quite properly keep them going.

Were we a private company engaged in intercity transportation and delivery of packages, we probably would not attempt to provide a regular service to small towns or rural areas. Such companies often skim off the cream of the parcel business by serving locations of big volume and concentrated population and leave the uneconomical routes exclusively to the Post Office.

The Post Office Department performs many functions which are in every sense—including a legal sense—of a public service nature. We carry much mail at sharply reduced rates, at only a small fraction of our cost, for religious, charitable, educational and other not-for-profit corporations. Special types of mail for the blind are carried free. Small-town newspapers are usually carried free or for an insignificant rate.

These are public services which are not parallel to an operation for profit. We perform many nonpostal services, such as handling the registration of 3 million aliens a year, selling migratory bird stamps to hunters, and distributing forms for the Census Bureau and the Peace Corps.

The count of game birds is even conducted by our rural carriers for the Fish and Wildlife Service and we even make a livestock census for the Department of Agriculture. We are reimbursed for some of the nonpostal services, but not for others.

Unlike private business, we are unable to control our own price structure. We are currently operating at a gross deficit of some \$850 million. But we have not yet been able to get congressional approval for a rate increase, even though our 4-cent first-class rate has gotten as out of date as a nickel phone call.

We are in high hopes of obtaining congressional action when Congress returns next January on this question of rate increases which we regard as vitally important.

The first-class rate has gone up only 33 percent since 1932. During that time the cost of living has increased 118 percent. The 1-cent increase in the first-class rate would cost the average household less than one-half cent per day.



Time and again President Kennedy has urged enactment of a new, more equitable postage rate, but Congress, nevertheless, did not see fit to grant such an increase during its recent session.

We cannot increase our own rates for first-, second-, and third-class mail. But we can and do improve efficiency and effect economies.

As long ago as 1890 our Department had 100,000 employees. Today we handle 13 times as much mail as we did then, but have less than 6 times as many employees.

Thus, over the years, there has been a remarkable increase in productivity.

Since 1940 the number of pieces of mail handled by the Department has increased 128 percent, but the number of employees has increased only 59 percent.

In New York City alone we handle more mail each day than does the entire British postal system, which serves 80 million people.

Our volume goes up 3 to 4 percent each year, not only because of population but because of more pieces of mail per year per person. In 1940 we handled 210 pieces of mail per year per person.

Today, the figure is 355.

By 1970 it will be 420.

We have 580,000 employees. We operate 35,000 full-fledged post offices and over 9,000 stations and branches. We have over 30,000 rural routes, covering a total of 1 1/4 million miles. We operate a fleet of 45,000 Government-owned vehicles.

The productivity improvement of the American postal system is even more marked when one realizes that 150,000 of our employees are city letter carriers and despite increased use of mailsters and other vehicles, where they can improve service and efficiency, the number of city carriers must constantly grow to serve an expanding population.

Another place where we differ from, say, a manufacturing corporation is in our use of mechanization.

Although the Department has been experimenting since 1922 with mechanical mail-handling equipment, mechanization has not yet accounted for any significant part of our productivity improvement.

We are moving ahead with our mechanization efforts. A large California firm, Food Machinery & Chemical Corp., of San Jose, is developing for us greatly improved equipment for mechanical mail sorting.

But there are several very important differences between use of mechanization for a manufacturing operation and for mail handling. If a firm is using automated equipment for making cigarettes or ballpoint pens, there can quite properly be a tolerance for some damage or destruction if the machinery is not working properly.

But in handling mail, we must assume that every piece is important and that it must get through with certainty and without being cut or torn. We cannot allow a margin for error to accommodate defects or temporary failures of the equipment.

Early in our administration, we issued an invitation to the Nation's industrial engineering and research talent to join with the Government in tackling the fantastic mechanical problems involved in moving and delivering the mail.

Today's volume of 65 billion pieces of mail is expected to double in the next half century. This monumental task—the task of moving this mountain of mail—demands more attention than can be given it by one organization, private or public.

We have asked private industry to send their research men to us, to find out our requirements—and to come back to us with prototypes of fresh, new mechanized answers to our problems—answers promising enough to justify the investment of public money in further development.

For example, we need, and we believe private industry could develop, a simple, durable

machine to read, face and sort mail by chemical or electronic operation—flexible, reliable and variable stamp dispensing equipment—a basic sorting machine to sort mail by States—mailboxes which will stack letters as they are dropped in—equipment to sort packages without Rube Goldberg installations and squads of hovering mechanics.

We have no interest in gimmicks or gadgets. We have no interest in pie-in-the-sky projects full of ifs for the millennium of another century. We do have millions of pieces of mail to move every day and we need help to do it better today.

Should industry accept our challenge, we believe these concepts would find a broad market among the large mailers of the country. They would have application not only in thousands of post offices, but in other thousands of offices where close cooperation with the post office in preparation of mail in bulk has been recognized by multimillion mailers as the first step toward better postal service. This, I am convinced, can be a demonstration of free enterprise at its best. No subsidies, no confusion of function, no intrusion of Federal influence, no bureaucratic complexities, but as challenging an opportunity for Government-industry cooperation and the creation of new markets as exists in the Nation today.

One of our major problems in the post office is that we do not have a steady flow of work which would make it possible to make use of expensive machinery during the full day. In many of our post offices, 80 percent of the mail comes to us between 5 p.m. and 9 p.m. All the first-class mail must be worked as soon as we receive it. Because of its priority status, it cannot be backlogged or held back until the next morning.

If we put in enough mechanical equipment to handle this huge peak load on a current basis, much of the machinery would be idle the other 18 to 20 hours of the day.

To meet this problem, as you know, we have launched a high priority program to get major users of first-class mail to space their mailings so we can process their non-priority items outside of the peak load hours.

A test in the Wall Street district of New York City showed trucks sent through at 5 p.m. picked up 6 million pieces of mail, compared with only 300,000 on an earlier pickup at 3:30 p.m.

This same experience could be repeated in the bulk of our cities.

However, to show what can be done, we were able to persuade heavy mailers to change their pattern of posting mail. The mid-afternoon pickup increased to 3 million letters—a 1,000 percent boost.

Similar improvements can be made—and must be made—to provide an efficient, sound postal system with resulting benefits for all of us in every city in the Nation.

Although improvements have been made through "mail early in the day" programs, further steps must be taken. For example, great quantities of first-class mail of a routine, nonpriority nature could be held over until the next morning. The big mailing rooms of large mailers could just as well be equipped with improved mail handling equipment as our post offices.

We call our current effort to reduce the peak mail load problem, through cooperative arrangements with our large mailers, the NIMS program—short for the nationwide improved mail service program.

In this city—as we have done all over the country in major commercial centers—we have established mail users councils to assist us in eliminating the problem, and to advise us on new methods of speeding mail handling and delivery. The 135 members of the Houston Mail Users Council are responsible for 41 percent of the total volume of first-class mail originating in this city.

Annually you purchase almost \$7 million worth of stamps—one-third of the gross receipts of the Houston Post Office.

In addition, big mailers of the Houston area have 2,250 postage meter accounts which generates \$9,604,000 in receipts annually.

Reports from your postmaster, Mr. Elder, indicate that in October some 705,000 pieces of first-class mail, or 34.6 percent of the total, were deposited in the post office daily before 5 p.m., and 1,335,000 pieces of first-class mail, or 65.4 percent, were deposited after 5 p.m.

However, a more recent survey, just completed, indicates an increase in the peakload mail volume in Houston. This latest report shows 69.2 percent of your daily first-class mail volume being dropped in the post office after 5 p.m. and only 30.8 percent deposited prior to the 5 p.m. rush.

It is my sincere hope that this is merely a temporary setback, and that we will be able to make greater progress as time passes in cutting down our peakload problem in Houston.

With the assistance of such mail users councils as you have here in Houston, we are beginning to make some progress toward alleviating the alpine heaps of mail that clog our post offices during the after-5 rush hour, jeopardizing speedy and efficient movement of important mail.

In fact, a survey after the first 4 months of this program indicated that we have already shifted upward of 5 percent of the Nation's mail volume from late afternoon or evening processing to an earlier time.

This NIMS program is just one example of our approach to improved efficiency and better service. It is a good example of the progress that can be made by mutual cooperation between business and the Government.

Another example of the Government—the Post Office Department—and private enterprise working hand in hand to provide needed services for our citizens is our commercial lease post office program.

Under authority granted by Congress, the Post Office Department often uses arrangements similar to those used by private industry in acquiring needed new facilities.

The operations of the Post Office Department, and the Federal Government as a whole, have a significant impact on the economic activity and growth of most communities in the United States.

The Government relies on the private economy to produce the necessary public revenue, and the private economy cannot produce that revenue unless it is continuously growing and making a fair profit.

Traditionally, the vigor and thrust of our society has relied upon the creative drive of our private economy; that tradition is fully maintained by this administration. Indeed, to achieve the goals set by President Kennedy—goals capable of realization under this administration—will require serious, constant, and close cooperation between business and government.

Lower profits for business leaves government with the problem of curtailing necessary public services, risking our defense posture, or suffering a deficit. In the challenging times in which we as a free people are now engaged, we want none of these alternatives.

Because of the continued lag in the national economy until the spring of this year, we have a big deficit facing us for the current fiscal year. But income after taxes for 1961 will be up by more than \$12 billion over 1960; and it is predicted that this increase will be doubled for 1962. Corporate profits have also shown strong gains, reaching an annual rate of \$45,200 million in the second quarter of this year—a sharp rise from the first quarter low of \$39,600 million.

The gross national product for the first quarter of this year, at the bottom of the

recession, was \$500 billion. In the fourth quarter it is expected to rise to \$540 billion. By the end of the second quarter of next year, it will probably be between \$565 billion and \$570 billion.

Inventories are building up; retailers are stocking up; auto prospects are excellent, with sales up an estimated 15 percent; housing will be higher; people are stepping up their buying, for both cash and credit. Profits are up sharply, and will exceed the record rate by the end of this year or the beginning of next.

Next year, profits will reach about \$54 billion—topping the previous high of \$46 billion.

Much of this is the result of the first-year effort of an administration convinced that in this era of history our economy can only remain strong if we have faith in private enterprise as the bulwark of our country's economic future.

As Treasury Secretary Douglas Dillon commented in a speech in San Francisco, "Unless we achieve steady and rapid economic growth with price stability, and full employment—unless we attain reasonable equilibrium in our balance of payments—we shall not have the capacity to cope effectively with international crises or to meet our urgent national needs here at home."

"The strength of our economy has a profound effect upon our future. Our place in the world of tomorrow depends upon the efforts we make today."

Two-thirds of the new money committed by the recent Congress was for increased national defense and space exploration. Our overall Federal expenditures are not historically high in comparison to the gross national product. Quite the contrary—in fiscal year 1962 they are expected to amount to some 16 percent of our gross national product—a proportion that has been exceeded in 8 of the last 10 fiscal years.

I am, by nature and by professional background, a businessman, as well as a lawyer. I am convinced that one of the keystones of this administration's governmental efforts is to encourage better business, not discourage it. For with a prospering economy our Nation prospers, and our Government fulfills its obligations to its citizens and to our friends in free nations throughout the world.

Our NIMS program represents a down-to-earth application of cooperation between business and Government. We are deadly serious about the necessity of making this program work. We know that billions of department store and utility bills, insurance notices, bank statements, dividend checks, and other items sent as first-class mail can be brought to our post offices in the off-peak hours. It only requires a top-level decision of management to bring it about and to make it last.

Our program was launched months ago. The results so far show we have only scratched the surface.

We know we can count on you for stepped-up cooperation. It is a good program that will help each of you and improve service for all mailers, large and small.

Now on the second point, and I spoke earlier of the fact that I would offer this amendment. This amendment would impose the pound rate increases on the newspapers so that the small publications of rural areas and smaller cities would have a differential by reason of weight—the weight of the editorial material and the weight of the advertising material—as against the corresponding weight of editorial and advertising material in the larger publications and in the larger magazines. Therefore, the revenue received would not be too far short of that proposed by the amend-

ment offered by Chairman MURRAY, which would cut the surcharge in half and raise \$41 million instead of \$53 million.

Earlier here today, I pointed up the fact that the newspapers, both daily and weekly newspapers, operating in the larger cities of Montana as well as the rural areas are smaller in size and lighter in weight. Our newspapers do not compare in advertising revenue per page or per issue with the larger magazines and newspapers of the Nation. I think it is ridiculous that the smallest publications be charged the same 1 cent-per-piece surcharge as is charged the larger magazines or newspapers for service by the Post Office Department. As a matter of history, we have had per pound rates—that is, rates which charge per pound of advertising and rates which charge per pound of editorial material. By such rates a differential is maintained between the smallest publication with the smallest circulation and the largest publication with the largest circulation.

The amendment that I offer would increase the per pound rates in three stages, one each year of 5 percent. In addition, as a compromise, the per piece charge imposed would be one-fourth cent the first year which would be graduated to one-half cent the second year. The total revenue of my amendment would be \$41 million increase to the post office as compared with a \$53 million increase by Chairman MURRAY's amendment.

I urge this fairer kind of increase.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. OLSEN].

The amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, I announced at the outset of these proceedings that I fully intended to support the Murray amendment, but the way it has been altered here on the floor has put me in a position where I cannot possibly vote for it. I recognize that it is pretty late in the day and the temper of the Members is such that it would be pretty hard to accomplish anything rational here. But if the Murray amendment were defeated we would go back to the committee bill as it came from the committee and that would, I am sure, be open to amendment and then possibly we could get something that would be a little saner, in my estimation. So I must say that I have to change my position in view of the amendments that have been adopted.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from New York.

Mr. BARRY. Mr. Chairman, I wish to say to the membership that I, too, was heartily in support of the Murray amendment. But in view of the gag rule imposed here we have not had opportunity adequately to explain the various amendments that represent the fine work of 3 years of study. In view of that I have to withdraw my support of the

Murray amendment and urge all others to do so.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. ICHORD].

Mr. ICHORD of Missouri. Mr. Chairman, I am wholeheartedly in favor of the purpose of the Cunningham amendment. I believe that the gentleman from Nebraska should be commended for assuming the leadership in the effort to prevent the flooding of Communist political propaganda into the United States at the expense of the taxpayers. However, in examining the amendment I find that it only forbids the Post Office Department from receiving, handling, transporting or delivering mail that has been determined by the Attorney General to be Communist political propaganda. There is no procedure set up for the Attorney General or the Post Office Department to intercept mail before it is delivered. And, of course, it is not going to do any good for the Attorney General to determine that it is Communist political propaganda after it has been delivered. I should like the gentleman from Nebraska to comment on how he contemplates the enforcement of his amendment.

Mr. CUNNINGHAM. Very definitely the mail would be intercepted at ports of entry. It would be sent to the Attorney General and, through the use of what machinery he has available for other matters, such as the examination of pornographic literature, and so forth, he will determine whether it is Communist political propaganda.

Mr. ICHORD of Missouri. It will be intercepted and opened?

Mr. CUNNINGHAM. At the port of entry. You see, second- and third-class mail is open mail. You can open that any time you want to.

Mr. ICHORD of Missouri. Do you not think you should spell that out in the amendment?

Mr. CUNNINGHAM. No; I believe that the amendment will take care of that.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOELSON to the amendment offered by Mr. MURRAY: Strike out section 3 in its entirety and renumber succeeding sections.

Mr. JOELSON. Mr. Chairman, I do not delude myself that this amendment is going to pass, but I feel impelled to offer it nonetheless. This amendment will do away with an increase in the first-class mail rates.

The Post Office Department tells us that first-class mail is self-supporting. It tells us that second and third-class mail are responsible for the deficit. Now this being the case, why on earth should we increase the rate on the first-class mail users? It just does not make any sense to me.

If you want to give a subsidy to the magazine industry and to the mail order industry, at least give it to them out of the general Treasury, but do not soak



the poor man who has no pressure groups or organizations to talk for him. If you want to give away money and if you want to subsidize magazines and mail-order houses, do it out in the open. Call it a subsidy and give it to them out of the general revenues of the country, but do not soak the man who is now paying his own way another penny for every piece of mail he sends. He is not profiting by the mail—he is communicating. Soak the ones who are profiting from the use of the mail.

Mr. Chairman, I urge the adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. JOELSON] to the amendment offered by the gentleman from Tennessee [Mr. MURRAY].

The question was taken; and on a division (demanded by Mr. JOELSON), there were—ayes 51, noes 115.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, I will yield my time to the gentleman from Tennessee [Mr. MURRAY] when he is recognized.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. MURRAY] to close the debate.

Mr. MURRAY. Mr. Chairman, I yield back my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. MURRAY] as amended.

The amendment was agreed to.

Mr. ROGERS of Florida. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Chairman, there is great concern on the part of the people of Florida and the Nation about the flow of subversive Communist propaganda into the United States. This vicious material enters the country and is delivered to the doorsteps of unsuspecting citizens.

Steps have been initiated by the Postmaster General to curb this flow of propaganda, but their effect has not yet resulted in a halt of this material. Current practice has the Postmaster General authorizing the display of notices in the Nation's 45,000 post offices. These notices warn that unsolicited Communist literature is coming into this country and being delivered. The warning suggests Americans receiving this propaganda to mark it "refused," and then return it to the Post Office Department.

Despite these good intentions, the latest figures show 76 million pounds of printed material sent into the United States during fiscal year 1961. The port of New York alone was a transmission point for approximately 1,341,298 pieces of printed matter from Communist bloc nations, and most of this mail was handled through the New York post offices, then distributed to American citizens.

Mr. Chairman, in 1959 this material flowed in at an increase of 40 percent above the rate of the previous year. The Supreme Court decision of last year gave strength to the constitutionality of the Subversive Activities Control Act. The FBI is doing an excellent job in combating subversion and infiltration of America by the Communists. Clearly, it is up to the Congress to now take measures which will give our Nation a three-pronged attack on international communism.

I find it comforting, as I am sure the American people are comforted, to see that the committee has exercised its wisdom and made provisions in this bill to control the flow of communistic propaganda.

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. WEAVER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WEAVER. Mr. Chairman, I am not in favor of the proposed increase of postal rates which the present administration is trying to jam down the throats of the American people. I have nothing but admiration for the President's expressed desire to balance the budget, and I am aware of the fine presentation he made to the Congress only last week in this respect. However, it seems to me that he is starting in a poor place and is basing his hopes for a balanced budget not so much by fiscal responsibility as he is on a 20- to 25-percent tax increase upon those who use the mails.

It has always seemed strange to me that of all the services rendered to the people by the Government of the United States, only the postal service is expected to make money. The Post Office Department is one of the very few specifically created by the Constitution of the United States. And yet such other constitutional agencies as the Army, the Navy, or the Patent Office are not required or expected to show a profit each fiscal year.

The Post Office Department provides a real and beneficial service to the people of this country. This service is not limited by any means to those who send letters—it benefits both the sender and the receiver. In fact, it would be difficult in many instances to say which receives the greater benefit—as for example, the dealer who mails a book, or the person who receives and reads with relish and enjoyment that book. The one is using the postal service for profit in a monetary sense, and is paying in the form of stamps a direct tax for that service. The reader is using the postal service for intellectual profit but he, too, through general taxation, is paying for part of this service. The two cannot be separated and one be told, in effect, "you must bear the entire burden of carrying the mail," while the other is told that the service to him is completely free.

The same situation prevails in many other fields, such as newspapers, magazines, and the like. The mailer is using the postal service for monetary profit;

the receiver is using the same service for intellectual profit or for enjoyment. The one cannot be told he and he alone must bear the full cost of the mail service while the other benefits from this same service at absolutely no cost. And yet, that is what we are being asked to do by the administration in the present bill before the House.

If the administration is so insistent that the Post Office Department show a profit at the end of each year, it would seem to me only sound and just that the President apply this same principle to all other departments. For instance, instead of asking the Congress to enact his Federal school subsidy program, financed through appropriations from the general fund, it would seem to me logical that the President would come to us and say, "give me a law making it mandatory for every citizen in the United States who sends a child to school to pay a tuition fee—over and above other taxes—of \$100 or \$200 per year. As the costs of school construction and teachers' salaries go up, the tuition will, of course, have to go up because we must make our school systems show a monetary profit."

This may sound to some farfetched; but it is exactly what the President is doing in his demand for a postal rate increase at this time.

Mr. Chairman, aside from the service aspect of the Post Office Department and this rate increase request, I would like to point out one glaringly unfair feature of this bill. For years we have been hearing—on the best of authority—that the first-class mail is paying its own way. The 4-cent letter, the 7-cent airmail letter, and the 3-penny post card are paying their just and honest debts. And yet, Mr. Chairman, the President is asking the people who use this type of mail to add 20 or 25 percent to their costs now. Obviously, this is designed to return a profit to the Treasury. If they were paying their own way before, why should their burden be increased now? It just does not make sense.

Mr. Chairman, the other day I received a letter from our good friend and colleague, the gentleman from Tennessee [Mr. MURRAY], chairman of the Post Office and Civil Service Committee. With that letter he enclosed a copy of an amendment to the present bill which he hopes the House will approve. I have no doubt but what that bill was carefully drawn but, to my mind at least, it has one terribly important defect. I refer to the business of the American taxpayers being asked to finance the distribution of Communist literature through our mails.

My friend and colleague, the gentleman from Nebraska [Mr. CUNNINGHAM], has long fought to end this disgraceful procedure. Last year he was successful in getting, as an amendment, his proposal banning such dissemination of Communist literature by our post offices. It appears now that the bill which has the administration's blessings will leave that important provision out. If the bill passes in its present form, our postal employees will be required to deliver and distribute this nefarious, subversive literature—and at taxpayers' expense. They will continue to find

themselves in the weird position of being forced to do during their working hours that which—if done on their own—would preclude them from ever getting a job with the Federal Government.

Now, it may be that the House will reinstate the Cunningham proposal in the bill and insist that this distribution of Communist trash and worse come to an end—at least on a free basis. I hope it does take such action and let me assure you I will support any such amendment now and in the future. However, even if such an amendment is adopted, I shall not support the bill. There is too much in this measure that is bad, is not compatible with the well-being of our citizens, to be overcome by this one good aspect.

The President blames rising defense costs and the postal deficits for the fiscal problems faced by the Nation today. And yet, communication between people and the common defense are so essential to the welfare of the Nation that the Founding Fathers took especial note of them in writing the Constitution and very specifically provided for these services.

It would seem to me the course of wisdom on the part of the administration to look elsewhere for areas in which to cut. The President does not complain about the costs of any of the special services to limited groups of people which the Government performs. In fact, he wants to expand these special services and to make them even more costly. For reasons known only to himself, the President chooses to make an issue of an essential service which is of benefit to every citizen.

Another point I would like to raise at this time is the fact that the President makes much of the rate of pay of our postal employees. He blames their salaries—in large part—for the postal deficit. And yet we find no such mention in any of the President's speeches or the speeches of his people when they talk about other departments of the Government. When the President tells us that there should be pay reform, say for the employees of the Department of Health, Education, and Welfare, he does not couple that statement with a warning that this will perhaps create a deficit. He does not ask the recipients of Hill-Burton hospital funds or the users of hospitals built by those funds to pay an extra tax so that employees of the Public Health Service might benefit by a Federal pay reform. He does not ask employers and labor unions to pay special and added taxes so that employees of the Department of Labor can benefit by a Federal pay reform. No, he reserves this gesture for the postal employees only. In my opinion this is a most unfair and unjust position; unfortunately, it is the position that the President has taken and one which he is demanding that the Congress impose upon the people.

Mr. Chairman, all in all this bill is unsound, uncalled for, and unnecessary, when it is placed in its proper perspective. I shall therefore vote against it and I call upon my colleagues in the House to do likewise.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7927) to adjust postal rates, and for other purposes, pursuant to House Resolution 464, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. GROSS. Mr. Speaker, I demand the reading of the engrossed copy of the bill.

The SPEAKER. The Chair announces that further proceedings on the bill will be postponed until tomorrow.

#### EXECUTIVE ORDER ENDING RACIAL DISCRIMINATION IN FEDERALLY ASSISTED HOUSING IN THE UNITED STATES

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. LINDSAY] is recognized for 30 minutes.

Mr. LINDSAY. Mr. Speaker, on January 12, 1962, I wrote the President of the United States the following letter on the subject of his refusal to sign and issue an Executive order ending racial discrimination in federally assisted housing in the United States. The letter follows:

JANUARY 12, 1962.

The PRESIDENT,

*The White House, Washington, D.C.*

DEAR MR. PRESIDENT: I share the disappointment of millions to whom it has become apparent that no Executive order ending racial discrimination in federally assisted housing in the United States will be forthcoming. This is an abandonment of solemn pledges made by you during the 1960 campaign, upon which many Americans relied. I can see no valid reason for the breach.

In your state of the Union message you expressed great satisfaction with your own full exercise of executive powers. I submit that the single most significant exercise of executive power, which you have chosen not to exercise, relates to housing. You said as much during the campaign, and you said further that if elected you would have the courage to move on this front by a stroke of the pen. A year has gone by since inauguration and you have allowed the matter to drift. This is not full exercise of executive powers.

Add this omission to your continued refusal to submit a legislative program on civil rights to the Congress, also promised by you as a first priority matter, and the failure is compounded.

There are hundreds of thousands of American families who because of their race or creed cannot enjoy their just share in millions of federally assisted housing units. This is a situation which cannot be disregarded any longer. The volumes of reports, both public and private, and the pleas of civic, religious, labor and patriotic organizations on this score need no further emphasis.

Legislative advances in the area of civil rights made in previous years, plus the personal popularity which you enjoy, make the climate right for the immediate issuance of a truly effective Executive order barring discrimination in all housing programs which are aided in any way by the Federal Government. This would include all mortgage activities of banking institutions aided or supervised by the Federal Government in addition to public housing, urban renewal, FHA, VA, college housing and housing for the elderly. The Civil Rights Commission has recommended this. It is entirely feasible and must be done, as you have yourself pointed out on past occasions.

I respectfully urge you to live up to your promise and execute such an order promptly.

Respectfully yours,

JOHN V. LINDSAY,  
Member of Congress.

Under date of January 16, 1962, I received the following reply from Mr. Lawrence F. O'Brien, Special Assistant to the President, in answer to my letter to the President:

THE WHITE HOUSE,  
Washington, January 16, 1962.

HON. JOHN V. LINDSAY,  
House of Representatives,  
Washington, D.C.

DEAR CONGRESSMAN: The President has asked me to reply to your recent letter discussing civil rights legislation generally, and the issuance of an Executive order to eliminate discrimination in housing in particular.

As I am sure you are aware, the President addressed himself to those questions in his press conference yesterday, and his statement sets forth clearly his views on the subject.

Sincerely yours,

LAWRENCE F. O'BRIEN,  
Special Assistant to the President.

Mr. O'Brien's reply is no answer at all to my letter, any more than is the President's statement on the subject in his press conference, in which he vaguely intimated that he would issue the order when he considered it to be in the public interest.

Mr. Speaker, the public interest requires that such an Executive order be issued yesterday. The public interest is not being served by permitting rank discrimination to occur in federally assisted housing in the United States. The public interest requires that the President take a leadership position and move with vigor, in order to protect the rights of millions of Americans. The public interest requires that the President redeem a solemn campaign pledge that was accepted in good faith by the American people.

And what has happened to the thunder we heard from the majority side of the aisle on this subject on the eve on the 1960 campaign? Remember, they, too, talked about a President who would act with a stroke of the pen. They shook their fingers and filled the RECORD with talk about meaningful civil rights legislation. Now, suddenly, the silence is deafening. There is neither legislation nor a stroke of the pen. Where are the Tuesday-to-Thursday liberals? Do they assume the public has forgotten those wide promises as they sit smiling behind the protection of their well-oiled, big-city political machines?

Well some of us will not forget and we shall not be silent.



Mr. Speaker, I urge my colleagues in the House to join me in urging the President to live up to his campaign pledges—to sign the promised Executive order, and to bring about legislation in order to secure equal rights, under law, for all men, still the most important subject of our time.

#### REPORT ON LEGISLATION AS IT AFFECTS IOWA

The SPEAKER pro tempore (Mr. EDMONDSON). Under previous order of the House, the gentleman from Iowa [Mr. COAD] is recognized for 30 minutes.

Mr. COAD. Mr. Speaker, we are gathered here today at the beginning of the 2d session of the 87th Congress faced with some of the most perilous problems visited upon any generation. I am proud to be a Member of this Congress, and honored to serve under your leadership. As the days of this year unfold before us the people of this vast democracy will be watching with intense interest what we do here. I am confident that our Nation, under the guidance of a great President, John F. Kennedy, will prove again that we have the will, the determination, the courage, and the resources to remain a leader of the free people.

Mr. Speaker, this is the beginning of the sixth year of my membership in this body. During this time, we have witnessed the program which this democratically controlled Congress has voted into reality, the benefits of which are being enjoyed by the people of this Nation today. I am grateful for the opportunity of having been able to contribute to the passage of these beneficial pieces of legislation.

I am proud, Mr. Speaker, that I have supported programs helpful to the farmers of Iowa. The farmers of Iowa have seen the erosion of a proud and profitable way of life, and now we are attempting once more to return this industry to a position of economic strength.

Without hesitation I have championed the causes of the men and women of Iowa who work by the sweat of their brow for a living for themselves and their families. In these days of mergers and automation the lot of the working people is not an easy one, and I stand firm in my loyalty to those programs which better their standards of living.

The small merchants of the land feel the effects of the pressures and the squeezes of the economic change taking place all about us today. Our merchants are fraught with uncertainty and, without fail, I have sought to provide wider avenues of economic opportunity to those Iowa merchants who are the backbone of our mercantile industry.

Again, I have aligned myself with vital programs for our elderly, so that they are not forced to face the sunset years of life floundering in a sea of uncertainty and insecurity. We can, in this prosperous Nation, do better than this, and I have, at all times, voted to make sure we do.

Mr. Speaker, during the 1st session of this 87th Congress, certain interests entered into a conspiracy to abrogate my usefulness to the people of Iowa. Using

the immunity granted to them by constitutional amendment, the press conducted a vicious attack, motivated by political influences, levied against my reputation and my character. In a deliberate attempt to smear and belittle, they caused to be printed, time and time again, accounts which were absolutely private in nature and normally privileged as personal. Other stories were carried and repeated which were so slanted and lacking in fact as to make them beyond the reason of truth. These attacks were made without regard for the emotional consequences and disregarded all the rules of the unwritten laws by which we are governed. These attacks were without decency and fair-play. These conspirators fired their atrocious blasts, not at my record of service to my people, not against my associations and commitments in Congress, not on my voting record, but, on the contrary, they struck their low blow in an area where retaliation would be impossible if one were to stand on those principles of decency which, by the very application of this standard, would preclude an answer. I committed no wrong against society. I resorted, openly, to the laws promulgated and established by courts of justice, in order that individuals can seek, legally, a change in the status of their private affairs.

Every step that I have pursued was open and aboveboard, a matter of record. And yet, these prevaricators, aligned with adverse interests, designed and plotted to destroy my effectiveness in the eyes of my people in Iowa.

This attack, made in the most scurrilous and vicious manner, replete with falsities and filled with animosities, was far the lowest in the history of Iowa politics.

Mr. Speaker, I do not stand here today claiming that I am perfect. I am not perfect, and I have never said that I was. Neither have I ever met an honest man who claimed perfection. And I do not stand alone, having faced the dark hour of personal despair and difficulty. Problems in human living are not confined just to Democrats or just to Republicans, but are visited upon both. But you would hardly be aware of this by reading the newspapers.

For a long time, I have maintained my silence in the face of this unprecedented barrage of unwarranted publicity against me. But, now that the wheels of the press are turning again to further attempt to destroy the innocent; to further attempt to destroy the Democratic Party in Iowa; and to further attempt to blacken my name, I can contain my silence no longer. The people of Iowa have a right to know that this attack has been organized and is now being continued by these same perverse interests.

I must admit that, at first, I thought of retaliation, even to the point of disclosing the names of those who instigated this vile and surreptitious attack on my good name.

I have in my files pertinent information which, if exposed, would incriminate these very same conspirators.

I have positive proof that they attempted to use and did use connections

and associations with high Government officials to obtain concessions which they could not have obtained on their own merits.

Mr. Speaker, thus did I debate on the wisdom of such a disclosure but I arrived at the only conclusion possible, in fairness to the innocent who would become necessarily involved.

To strike back would, in effect, put me in the position of defending allegations and distortions of fact which are better left to the more delicate domain of private conscience, into which the crude processes of inquiry should not follow.

These contemptible and despicable people would not dare to fight me on my record here, nor on my service there in my beloved State of Iowa. They dare not. These despotic and power-crazy individuals cannot go to the farmer and say that MERWIN COAD did not jealously preserve and protect his interest. They cannot approach the small businessmen and say that "your Congressman is not looking out for you." They dare not compare my voting record for the working people, the laborer, and the employees who, more and more, are dependent upon congressional initiative to safeguard their future. They cannot say that COAD is not for all the people, all the time.

No, Mr. Speaker, they must confine their contemptible attacks to matters which are only of private concern.

Had I not cast my lot with the poor, the weak, and the repressed, and had I not sponsored and supported this Democratic Congress in a sincere and conscientious effort to promote our independent way of life, giving to each and every citizen his just and proportionate share of democracy, this scurrilous attack on me would never have happened. But had I, instead, compromised my principles and ideals or moderated my program, I would not be worthy of the high honor of this office.

Furthermore, Mr. Speaker, it is no secret that the Republican-controlled State Legislature of Iowa cut up the district of Iowa which I have represented for the past 5 years so that the possibility of my continued service in Congress would be nothing short of impossible. The old Sixth District, which I represent, was cut up into four sections, so that no large segment remained intact. This was done in a flagrant effort to reduce my chances of returning to Congress, for my continued record of voting for the farmers, working people, the merchants, and the elderly was a threat to the security of Republicans in Congress from Iowa. The Republicans have been unsuccessful in beating me at the polls, so they used the only device available—they took away my district.

This gerrymandering action was not at the request or demand of the people. This was a political maneuver in its rawest sense.

But, what of the people? Do not the people have a right to the representation of their choice in the Halls of Congress? Yes, Mr. Speaker, this right is guaranteed by the Constitution itself.

And again, I say that I am proud of the record which I have established here during the 5 years of my service to the

people of Iowa. My record of voting for the economic elevation of our family farmers, for the increased wage opportunities of our laboring people, for a better business climate with a more equitable tax structure for our merchants, and to ease the load of the twilight years of the elderly, is a record of achievement for my people. This is the record which threatens the Republicans of Iowa, and this is the record on which I stand.

Mr. Speaker, these are the reasons for the unprecedented and savage attack upon me by the Republican press, which was joined by the Iowa Republican machine. These are the reasons why they have launched this campaign to try to destroy me in the minds of the people of Iowa.

During the years of my service in Congress, and long before, I have been an Iowan without interruption and without deviation. I am proud to be an Iowan, for I have always found the people of Iowa fair and honest and not easily taken in by tricks of tactics in high places.

But, whatever may be my future fate in Iowa politics, I stand unashamed of my record of serving my people. With God as my judge I have maintained the sacredness of my oath of office and have been diligent to do the duties to which I have been charged.

Already, I have been warned that the mills of the Republican press and the Republican organization are being prepared to further attempt to grind away my character and to attempt to destroy the confidence of the people of Iowa in me. But, I have faith in the mentality, the fairness and the honesty of the people of Iowa to be able to divide truth from trickery and to recognize devoted service to the people when it is rendered.

I am proud that I have cast my lot with the Iowa farmer, with the Iowa laborer, with the small businessman of Iowa, and with those whose sunset years are upon them. I am proud I have voted to keep my country strong. And whether my political future lasts only 1 year, or 5, or 10, or more, I will always know that the greatest reward was the reward of serving mankind. I have constantly maintained that the Iowa people deserve more than mud and sweat and heartache. The people of Iowa deserve and must have equality of opportunity with an economy which is just and progressive. For these things I have fought and of this fight for the people I am proud.

And it is with this truth that I retaliate. With complete confidence in this Democratic administration, I continue my every effort to bring to the people of Iowa the representation they deserve. I cannot, I will not compromise.

#### UNCLE MICKEY

Mr. OLSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN. Mr. Speaker, in the great Flathead country of my native Montana a youngster by the name of Uncle Mickey is celebrating a birthday. He turned a mere 93 today.

Uncle Mickey—Mike Berne—is the oldest active citizen of Columbia Falls, Mont. And by active I mean he is still fixing his own farm fences.

Uncle Mickey is also a Flathead tradition, and the unofficial historian of the area. But why should I be taking your time by telling you just a little about Uncle Mickey? Simply because I think—in contrast to him—we are often guilty of having short memories. We forget that it was not so very long ago that this country, including the West, blossomed with ugly signs, reading "No Irish Need Apply." There are still such signs in America, only other nationalities and races have been substituted for the Irish.

Well, Mickey, whose parents came from Tipperary, did "apply" nevertheless. He applied himself to starting a brickyard, and then building the town's first school, the first church, and the first hotels.

He remained a bachelor, but with his late brother, Billy, he raised two families. First were three children of a widowed sister. Then there were eight grandchildren.

Now, at 93, he is still kept busy helping to raise four grand nephews, aged 6 to 10 years.

The lore, the life, and the flavor of the Flathead are full of the tradition of Uncle Mickey.

For instance, in Bad Rock Canyon, along U.S. Highway 2, a few minutes from the west entrance to Glacier National Park and 3 miles from Columbia Falls, is Berne Memorial Park.

It is a roadside park with picnic tables nestled between canyon rocks and evergreens, with a year-round spring of mountain water.

According to Mel Ruder, editor of the prize-winning *Hungry Horse News* in Columbia Falls, it is Montana's nicest roadside facility.

Sometimes I think it would be refreshing if we could swap a few minutes of our crowded Washington days for a few refreshing, meditative moments in Berne Park. We might be more prone then to recall the real origins of our American pioneers.

When Uncle Mickey returned from his first trip to Ireland, the land of his folks, in 1949, he told Mel Ruder:

From what I could see there for a man to do, I think it was a good thing the Irish came over here.

As a fellow American—though of Norwegian stock—I think it is a good thing, too—but a good thing for America.

Mr. Speaker, under unanimous consent, I include at this point in the RECORD a newspaper clipping from the *Hungry Horse News*, Columbia Falls, Mont., one of the finest small town papers in the country and published and edited by Mel Ruder:

MIKE BERNE SAYS: "IT'S A GOOD THING THE IRISH CAME OVER"

The *Hungry Horse News* published volume 1, No. 1, August 8, 1946, and unfortunately

we did not know Billy Berne, who died in March 1946.

However, we've enjoyed knowing Mike Berne, now 92, who was born January 23, 1869. Uncle Mickey has been the subject of a number of stories in the *Hungry Horse News*. Here's one we wrote in 1949 following his return from an airplane trip to Ireland.

Ireland was an interesting place but 80-year-old Mike Berne was glad to get back to his Flathead Sunday.

He said goodbye to the stewardess, Marnie White, and then told his nephews, Martin Ladenburg, Richard and Jimmy Simpson about the Emerald Isle.

Uncle Mickey, who settled in the Flathead in 1890 and made the bricks for Columbia Falls (old) St. Richard's Church, took his first airplane trip June 3, 1949, at the dedication of the Flathead county airport.

With his niece, Mrs. J. P. Simpson, Tacoma, there was a 12-hour flight from the east coast to Ireland June 17, and Uncle Mickey told his nephews about the plane that weighed 80 tons.

"That wasn't nothing," he added, "on the way back we left London at 11 a.m. and had supper in Boston."

There was a 20-day stay in Ireland, and County Roscommon back from Dublin, brought sessions with the Sharkeys and the Bernes, cousins. Uncle Mickey's mother was born in Tipperary.

"Rock fences were all about, just as my father's time," he told his nephews.

"They haven't got much there. It takes four Irish spuds to fill a tablespoon, and there's no future for a young man. You don't see young men about. Many households seem to run something like this: a widowed mother, a 50-year-old spinster aunt and two single girls in their 30's. The men have come to the United States or the dominions.

"From what I could see there for a man to do, I think it's a good thing the Irish came over," he continued.

In stronger, western language, Uncle Mickey told of the absence of central heating; the fireplaces used for cooking, and the kettles on the iron arms.

The observant 80-year-oldster noticed an absence of freight cars—they're small in Europe—on the railroads, and his industrial tour included one stop that showed enterprise. It was the Guinness brewery in Dublin. "Big, fine place, and good beer."

As to farming, the places had 8 or 10 acres. They couldn't grow grain, and he noted an absence of gardens. The soil was poor, and farmers seemed to be importing grain to feed to a few cattle. He hardly saw a pig. After coming from the Flathead, Uncle Mickey saw no percentage in that.

As to the beauty of the Emerald Isle, he commented, "I didn't see a single brown spot, but those Irish lakes don't compare to the mountain lakes of the Flathead."

Leaving Ireland, the visitors went to London, and they were energetic tourists seeing London Tower and other sights. They visited with Col. and Mr. Allan Clarke. He's an attaché at the American Embassy; she's the former Katherine Sauntry, a niece.

Does Mickey knock the Irish? Well, he came off the plane with a bright green tie. He told his nephews things were much better over here, but when it comes to courtesy, humor, good naturedness, Old World charm and hospitality you can't beat the Irish in Ireland.

#### THE NATION'S ENERGY RESOURCES AND ECONOMIC GROWTH

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.



The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. **LANE**. Mr. Speaker, I am pleased to call to the attention of my colleagues the speech on national energy resources and economic growth which was delivered in Boston, January 18, by James K. Carr, Under Secretary of the Department of the Interior. The occasion was the banquet concluding the 16th Annual Printing and Publishing Week in Massachusetts.

Mr. Carr is a professional engineer, a former engineering consultant to the Committee on Interior and Insular Affairs of the House of Representatives, onetime chairman of the California Water Commission, and engaged in water and power activities for the past 25 years.

His comments on the energy requirements faced by the Nation in the future are very timely and are an indication of the effort that must be made to sustain continuing economic growth throughout the Nation. His speech points out that in the electrical industry alone, investments in excess of \$100 million will probably be required in the next 20 years to finance generation and transmission facilities. I am pleased to note that the Under Secretary assumes both private and public investments will accomplish this job. With an eye toward the protection of stockholders and taxpayers, he said:

With such an enormous requirement for capital, the stockholders and the taxpayers must be protected by the best possible planning, both private and public.

His talk covers further possibilities in the coal industry and discusses oil and gas requirements. The text of his speech follows:

#### THE NATION'S ENERGY RESOURCES AND ECONOMIC GROWTH

(By James K. Carr, Under Secretary of the Interior)

A magazine advertisement this month by a leading airline points out that man has been developing speed for about 8,000 years, but only in the last 80 years—100 of the time period—has he made substantial progress. As late as 1880, the cheetah was still the speed kind of the mammals, having been clocked at 70 miles per hour. Man surged ahead in 1893, when a New York Central engine ate up a stretch of track at more than 112 miles per hour. A scant 70 years later, the experimental X-15 reached 4,700 miles per hour speed—fast enough to go from Boston to Manhattan in about 3 minutes. This burst of speed resulted largely from great advances in knowledge of fuels and energy.

The substance of the magazine ad relates to mobile energy. The bulk of the energy consumed in our economy is at stationary facilities. The advances in nonmobile energy production and use, while not so dramatic as the X-15, have, in the past 80 years, made giant strides in the task of freeing man from the bondage of inadequate energy.

You are interested in the subject of energy because the relationship of energy resources to basic raw material, whether it be for the printing business, the publishing business, or the production of paper pulp, and other wood products, will have a determined effect upon the economic health of your industry. The application of energy resources to other

basic raw materials will indirectly affect the entire industry which you represent. It's for this reason that your program chairman asked me to speak to you tonight on the Nation's energy resources, which are in many ways a responsibility of the Department of the Interior.

#### ENERGY DEFINED

Let me define more clearly the type of energy I am talking about. In a broad sense, anything with the inherent power to perform work may be called energy, but I am speaking about the commercial or efficient forms of energy and their effect on the national economic growth. The four sources of such energy are: oil, natural gas, coal, and waterpower. As yet, nuclear power does not rank as an energy source of major economic importance.

The commercial uses of energy I am talking about should also be defined. The four uses of energy significantly affecting the Nation's economic growth are for (1) industrial purposes, (2) transportation, (3) space heating and cooling, and (4) the production of electricity, as such.

#### RELATIONSHIPS—BETWEEN SOURCES—BETWEEN MARKETS

Petroleum is the dominant commercial energy source accounting for about 45 percent of the Nation's energy needs. Natural gas picks up another 28 percent, and coal takes 23 percent; the rest of the commercial and efficient energy supply, except for water power which is 4 percent of the total.

The primary energy markets run something like this: Industry, 35 percent; transportation, 25 percent; space heating and cooling, 20 percent; and generation of electricity, the remaining 20 percent.

#### ENERGY AND ECONOMIC GROWTH

This Nation's industrial progress, social progress, and its energy revolution are so tightly interwoven that it is almost impossible to separate them. A history of the economic growth of the United States could, I believe, be translated in terms of the changes in emphasis and the changes in patterns of energy supply and use. The steel industry which was the forerunner for other massive industries in this economy was based largely on coal.

Again, consider the relationship between transportation developments and growth in the energy sector of the economy. The establishment of the vast interlocking network of railroads in this country would have been impossible had it not been for the availability of adequate quantities of coal at widely separated points. Widespread use of the automobile, which has had such an impact on almost all phases of our individual lives, moved hand-in-hand with the growth of the petroleum industry.

#### ENERGY USES

I should like to discuss briefly the increase in use of energy; then the specific sources—oil, gas, coal, and water power; and some of the relationships between these sources and the particular uses.

On a per capita basis, the use of energy by the United States is approaching the equivalent of 45 barrels of oil per person per year, and the United States is responsible for one-half of the world's total energy consumption. The average for the rest of the world is one-tenth as much or the equivalent of less than 5 barrels per capita.

History shows that economic progress, social progress, and standards of living move forward wherever per capita peacetime uses of energy are greater. By the end of this decade per capita consumption of energy in the United States will have increased more than 10 percent with a corresponding population increase of 35 million people. The net result is an estimated increase in total national energy consumption of more than 35 percent in the next 10 years.

#### INVESTMENT IN PLANT WILL BE HUGE

You can readily realize the problems that confront us as we continue to promote and to sustain economic growth if you visualize the necessary investment in generating and transmission plants.

During the past 20 years the total expenditure for new construction of generation and transmission facilities in the electrical industry, both private and public, has been about \$35 billion—I repeat, billion dollars. Engineers now estimate that the total expenditure, private and public, for the next 20 years to build the necessary generation and transmission facilities will be three times that amount. With such an enormous requirement for capital the stockholders and the taxpayers must be protected by the best possible planning, both private and public. Our success in this effort will measurably affect the Nation's economic growth and our ability to compete abroad.

The magnitude of the investment problems in large measure relates to population growth. I will not burden you with numerous examples to show how fast the United States is growing, but you can gain some idea of it if you realize that the population increase of the Nation this year will be approximately 3 million people or equal to four new cities as large as Boston. Economists tell me this also means \$6 billion in new spending for consumer goods.

Under Secretary of State George W. Ball told a joint congressional committee recently that the United States can compete with anyone and can prosper and must trade if it is to grow. This means, however, a relentless and vigorous attack on all factors of production cost to determine that they are as low as possible. It means, as President Kennedy said in the state of the Union message: "We cannot 'hang back in deference to local economic pressures.'"

#### ENERGY AND THE DEPARTMENT OF THE INTERIOR

At this point you possibly ask why the Interior Department is so intimately involved with the Nation's energy needs and supplies. Some people erroneously think the Department of the Interior is a "western department."

The Federal Government's responsibilities in the energy field and more specifically with oil, natural gas, coal, and the marketing of waterpower, as well as certain development of waterpower, are delegated to the Secretary of the Interior. Thus, to a great extent, the Department of the Interior is the "primary energy Department" for the United States. There are, of course, other agencies involved, including the Atomic Energy Commission and the Federal Power Commission, but Interior has important responsibilities with respect to each of the commercial types of energy mentioned. The Department's Office of Oil and Gas, Oil Import Administration, Bureau of Mines, Geological Survey, and the Office of Coal Research, all have broad responsibilities for certain segments of our energy programs. On the waterpower side, we have the Department's Bureau of Reclamation, the Bonneville Power Administration, the Southwestern Power Administration, and the Southeastern Power Administration—four Federal agencies that market hydroelectric power in different sections of the United States. So you can see that the activities of the Department of the Interior touch upon almost every phase of commercial energy in the Nation.

The Department is assigned certain tasks which will assure that our country's energy resources of coal, oil, natural gas, and water, make their maximum contribution to the Nation's economic health and growth, as well as the Nation's security. The energy-oriented activities of the Department, however, vitally affect the strength of our economy and contribute significantly to the ability of this Nation to maintain its place

in the world. And let me say just parenthetically that Secretary Udall and the rest of us in the Department of the Interior are equally concerned over another resource—and I mean our disappearing open spaces that are so vital to this and future generations. That is why, as a conservation measure, we are proposing a last great effort to round out a system of national parks and provide aid to States embarked on similar programs. We not only owe it to ourselves, we have a responsibility to the 51 million young people in school today to see that we wisely manage this resource and hand on to them a land such as we are so fortunate to enjoy. The approval of legislation authorizing the Cape Cod National Seashore Park is a notable step forward.

#### CHANGING PATTERNS OF ENERGY USE

We naturally expect changes in energy use patterns over the next 10 years although the total amounts of energy used will increase considerably. Let us discuss each primary energy source separately.

#### PETROLEUM

The petroleum industry, until recently, was growing at a much faster rate than the total increase in energy consumption by moving into markets in competition with other energy sources. In the future, we expect a leveling out in the consumption of oil in this country, although there will continue to be rapid increases in its use in other countries.

World production greatly exceeds current petroleum requirements. Much of the new production in the world can enter markets at prices below those necessary to sustain the mature industry in the United States. Furthermore, political events in some petroleum-producing nations have injected a note of instability into the supply of oil. Against this background, we cannot afford, as a nation, to lose sight of the immense importance of petroleum in times of emergency.

In World War II, fully two-thirds of all the materials of war consisted of petroleum and petroleum products. Today, petroleum represents about 50 percent of the total waterborne tonnage in international trade. The sheer volume of petroleum requirements, and the overall situation in the world today, made it necessary for the Federal Government to institute a broad program of controls on petroleum imports into the United States. These controls are designed to provide petroleum exporting nations with access to the U.S. market, while at the same time preventing the unlimited flow of oil from abroad that could seriously injure our national security posture. This vital program is administered by the Department's Oil Import Administration.

#### NATURAL GAS

During the past 25 or 30 years, natural gas has grown from a stepchild of the petroleum industry to a prime source of energy. This growth has been especially impressive over the past 15 years since World War II. This year it is estimated that natural gas will approach 30 percent of the Nation's energy supply. The Federal Power Commission has the principal regulatory responsibility for the Nation's interstate commerce in natural gas. The Department of the Interior conducts a substantial program of research into natural gas production and use and is responsible for the mobilization phases of the natural gas industry.

#### COAL

Reserves of coal in the United States are immense—enough to serve our requirements at present rates of consumption for hundreds of years. Coal was the earliest beneficiary of this Nation's energy revolution. As other sources of power arose, coal lost its dominant position. Production has fallen and unemployment in traditional coal pro-

ducing areas constitutes a serious economic and social problem.

Despite these losses in the energy market, there are two possibilities that hold promise for an early improvement in coal's position in our energy economy.

Coal is cheap at the mine compared to other fuels; its big handicap has always been the cost of transportation. For this reason, the Department is very much interested in the plan of the Consolidation Coal Co., of Pittsburgh, and the Texas Eastern Transmission Corp., of Houston, to build a 20-inch slurry pipeline from the coal fields of Pennsylvania and West Virginia to the large energy-consuming areas of Philadelphia and New York.

Coal in the form of a slurry has been moved by pipeline in Ohio for some years, from Cadiz to Cleveland. But in this operation the slurry has had to be put through a costly drying process before burning. Recently, a demonstration at South Amboy, N.J., proved that liquid coal slurry containing more than 30 percent water can be burned directly in a furnace, in much the same way as oil or gas.

It appears possible to increase the use of coal while better serving the energy needs of our country, by the construction of mine-mouth steam electric plants. Recent developments in extra-high-voltage transmission of electricity may make possible the movement of large blocks of power at lower costs. I will discuss this more fully as we talk about electric power.

#### ELECTRIC POWER

The development of hydroelectric power in this country had its beginning in the New England States. The first waterpower development of importance took place here in New England at Pawtucket, R.I., in 1790. By 1813, a city was created by the development of the Merrimack River at Lowell, Mass. In those early years, a canal was built around the falls and the water, or portions of it, passed successively over wheels or through turbines.

By 1900, we had learned to transmit power as far as 150 miles. In a moment, I will tell you of some of the programs our Government is now engaged in to encourage the private and public utility industry to better utilize and develop our electric power industry.

Hydroelectric power has provided a small but relatively stable portion of the Nation's energy requirements in the past 25 years—about 4 percent. This percentage, however, fails to convey the critical importance of hydroelectric power in some regions of the United States.

In the Pacific Northwest, fully 96 percent of electric power consumed in the area is produced from waterpower projects on the Columbia River, its tributaries, and coastal streams.

In years gone by, we, as a Nation, have not made sufficient use of our hydroelectric potential, a renewable energy resource that uncontrolled causes damage in many areas. This administration will not perpetuate this neglect and waste. We intend to move vigorously to develop those as yet untapped hydro resources which will yield measurable benefits to the growth of the national economy.

At the request of President Kennedy, the Department of the Interior is now reviewing the Passamaquoddy project and the potential of the upper St. John River in Maine. Department engineers are optimistic about the outcome and look forward to greater development of the water resource of New England.

#### EXTRA HIGH VOLTAGE—DIRECT CURRENT TRANSMISSION

The most modern and efficient transmission of electricity is vital to the ample supply of power at reasonable costs. A 5-man

group drawn from the Department of the Interior has recently completed an important study on an extra-high-voltage, direct-current intertie to link the major private and public power systems in the Pacific Northwest with those of the Pacific Southwest. The study has already had a great impact on the electric utility industry and may show a way ultimately to reduce power cost in New England and other areas of the Nation.

The proposal would involve construction of lines from the Columbia River Basin to the vicinity of Los Angeles, Calif.—a distance of almost 1,000 miles. It would be a dramatic forward step, stimulating the electric industry to more efficient and effective use of the hydro- and thermal-electric power resources.

Great benefits would follow from the Pacific Northwest and southern California intertie. The Pacific Northwest's firm power supply, according to the report, can be increased by up to 400,000 kilowatts by exchanging energy.

In many parts of California peak power requirements occur during the summer months. In the Northwest, the peak energy need is during the winter months. Each of these regions now must maintain sufficient generation capacity and plant (which costs money) to meet its respective peak loads. The proposed intertie can appreciably lower the level of installed generating capacity (with investment of capital) by moving power back and forth between the two regions as required.

Also these extra-high-voltage, direct-current transmission lines might be used to take power from mine-mouth, steam-electric plant in Pennsylvania, West Virginia, and other areas to eastern population centers such as Boston and deliver it at lower cost.

President Kennedy in his special message on natural resources last February directed the Secretary of the Interior to develop plans for interconnections and further cooperative pooling of electric power supplies in both private and public systems. Secretary Udall is giving leadership to the electric utility industry by encouraging this bold, new approach.

In candor, I must tell you that the United States has lagged behind in the development and use of direct-current transmission of electricity. Sweden developed and has been using it to advantage since 1954. A direct-current underwater cable beneath the English Channel now connects the power systems of England and France. New Zealand will soon use direct-current transmission for a distance of 360 miles. It is reported the Soviets have been experimenting with direct-current transmission since the end of World War II and have one 300-mile experimental line already built.

Inevitably, it seems the entire United States will need an electric power complex of extra high voltage in which private and public agencies can and will operate. The combined efforts of the private and public utilities will be necessary to bring about economies in the production and distribution of electric power. This administration will continue to encourage these joint efforts and recommend to the Congress that we participate financially in programs associated with the development of our water and power resources whenever it's in the national interest.

The combined result should be a more efficient utilization of the country's total generating facilities, reduced requirements for the construction of new generating plants and significant reductions in capital investment. Savings to consumers of power should follow naturally from these advantages.

I have emphasized that energy is one of the most important elements in a dynamic economy. Your industry directly and indirectly is affected by what we do in the de-



velopment of low-cost energy for the entire Nation. We must continue as a nation to discard that which is outdated or obsolete. We must adopt new technical advances wherever they promise to decrease the cost of energy to the ultimate consumer. We must, with a sense of urgency, tackle our energy-resource problems. We must look forward and go forward.

If we proceed with this spirit, we shall continue to carry the banner of freedom throughout this fast-moving world with persuasive confidence and a widespread realization that America is still in the forefront of scientific progress.

#### TO GRANT WORLD WAR I VETERANS THE SAME OUTPATIENT SERVICES AVAILABLE TO VETERANS OF SPANISH-AMERICAN WAR

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, in relation to the standards of today, we have shown less consideration for the veterans of World War I than we have for the living veterans of any other war before or since.

This is difficult to understand, and impossible to excuse. Perhaps it was due to the conservative administrations that controlled public policy during the 1920's, when the legitimate rights of veterans were thrust into the background.

Their frustration found expression in 1932 during the last year of conservative rule, when a bonus army of impoverished veterans marched on Washington in a desperate effort to secure recognition of their claims. The memory of the squatters camp they established, and from which they were driven by the tanks and tear gas of the Regular Army, comes back to haunt a nation that failed then as now to fulfill its obligations to the veterans of World War I.

Unlike the veterans of World War II, and the veterans of the Korean war, the men who came back from World War I, received no educational aid, no paid-on-the-job training to develop new skills and opportunities, no guarantee of job restoration, and no \$20 per week for 52 weeks as unemployment compensation. And there were no veterans' hospitals to care for those whose health was affected by the dangers and the hardships of their military service.

Because the Allied armies were hard pressed when we entered World War I, too many of our men were rushed overseas without sufficient training or adequate equipment. Influenza, poison gas, trench warfare, the stresses and strains of military life weakened the health of many young men who did not bear the visible scars of battle.

Their disabilities originated in service, but they were not able to prove service connection and secure disability compensation because the Government,

in tracing their claims, found that it had misplaced or lost their medical records.

Unlike the veterans of the previous Spanish-American War, they were not declared eligible for outpatient treatment of disabilities, including dental service, and were not entitled to emergency medical care at home.

Too early for the GI bill of rights and too late for the benefits granted to the Spanish War veterans.

The average age of the World War I veteran is 67.

Five hundred of them are dying every day. Very few of the hundreds of thousands who survive are in perfect health. They have reached that stage in life where more frequent illnesses and medical care needs should receive outpatient treatment to avoid the delays that jeopardize recovery, and necessitate costly hospitalization.

These men are not second-class veterans. Only legislative neglect in providing them with benefits and services available to veterans of other wars has made it seem so.

In order to correct that discrimination, I have introduced a bill to amend section 612 of title 38, United States Code, to provide the same medical care benefits for World War I veterans as are provided for veterans of the Spanish-American War.

Can anyone, in good conscience, deny them this right?

#### WOOL IMPORTS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include a letter from Francis Schaufenbil, international secretary-treasurer of the United Textile Workers of America.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, I include as a part of my remarks the following letter:

JANUARY 22, 1962.

HON. THOMAS LANE,  
U.S. House of Representatives, House Office Building, Washington, D.C.

DEAR CONGRESSMAN LANE: According to a news item in the Lawrence Sunday Sun of January 21, Assistant Secretary Frederick G. Dutton of the State Department has informed you that there was a sharp decline in wool imports from Great Britain, Italy, and Japan during 1961, as a result of a new tariff structure set up by the U.S. Government.

Assistant Secretary Dutton's optimistic statement is statistically accurate, but in my opinion it is a misleading assessment of the situation. He disregards alarming trends which warrant a conclusion opposed to his.

Three factors account for the reduced wool fabric imports:

1. The threatened boycott of Japanese worsted fabrics by the Amalgamated Clothing Workers of America, AFL-CIO.

2. The drop in U.S. production of tailored clothing due to the economic situation prevailing during the first part of 1961.

3. The new duties on woven cloths which were placed in effect on January 1, 1961.

Since the decline in wool imports was the greatest in the case of Italy, a study of the

1961 (January through October) Italian wool import figures is revealing:

[Total in square yards]

|           |           |
|-----------|-----------|
| January   | 1,724,000 |
| February  | 335,000   |
| March     | 412,000   |
| April     | 732,000   |
| May       | 531,000   |
| June      | 716,000   |
| July      | 1,035,000 |
| August    | 1,328,000 |
| September | 1,788,000 |
| October   | 1,870,000 |

You will note that the January 1, 1961, duties at first seemed to act as a brake on imports, but we now know that this was merely a period of hesitation. The steadily growing Italian import totals indicate that Italian exporters are accommodating their products to the new duties and have already regained much lost ground.

There is growing evidence that the January 1961 duties are not as effective as claimed by the State Department.

The National Association of Wool Manufacturers claims that "there is manifest evidence that the search for loopholes in our tariff law and regulations is intensifying. The Bureau of Customs has under study the proper tariff classification for woven wool cloths on which the selvages have been bound with braid."

"The purpose of this braiding is to qualify the cloths for entry through customs as articles in part of braid on which there is only an ad valorem duty of 42½ percent. This compares with the cloth duties of 37½ cents per pound plus ad valorem duties of 38 to 60 percent, dependent upon the value. In another case, woven wool cloths have been presented for duty-free entry into U.S. customs territory as a product of the Virgin Islands. The cloths in question were imported from Italy into the Virgin Islands where little if any further processing was performed on them other than showerproofing. Manufacturers qualify as a 'product of the Virgin Islands' if foreign materials account for no more than 50 percent of their total value."

Another reason I am not impressed by the State Department's analysis of the matter is the fact that the new duties effect only a minority part of total wool imports.

Wool imports involve many categories in addition to wool fabrics, e.g., finished apparel, unfinished apparel, wool tops, wool yarns, knit apparel, etc. According to Government figures, 43,385,000 pounds of wool products were imported during the first 10 months of 1961. Of these, only 19,266,000 pounds were covered by the new tariff, and only 9 million pounds were affected by the new tariff.

The State Department cannot claim ignorance of these factors. I have the privilege of serving on the Department of Commerce Wool Advisory Committee. We met on January 8, 1962, with representatives of the State Department and the Commerce Department, and, at that time, called these matters to their attention.

On the same day the Wool Advisory Committee filed a unanimously adopted eight-point statement with the Government. Point 7 was as follows:

"The Committee has called to the attention of Government representatives present and here takes this means of noting:

(a) That the greater portion of wool textile imports do not enter under the paragraphs affected by the tariff adjustments referred to; and it is mistaken to base policy—if inaction may be deemed a policy—for the whole wool textile industry on factors which, even if valid, would affect only part of it; and

(b) That the statistical data already on hand shows that such declines as were recorded in certain categories of wool imports

in the early months of 1961 were the brief and passing effects of the domestic recession, and that, in certain conspicuous and important categories, imports for the first 10 months of 1961 are already in excess of corresponding figures for 1960, and in other categories, the rise in the latter months of the year shows that the hitherto increasing trend of wool product imports is clearly continuing even beyond the levels previously deemed excessive."

Since 1947 more than 300 woolen mills have gone out of business. Employment in the industry in the same period has declined from 170,000 jobs to 65,000 jobs.

President Kennedy, though pursuing a goal of increased foreign trade, has recognized that the wool industry requires special attention. On May 2, 1961, at a White House conference with industry representatives he said: "The problems of the textile industry are serious and deep-rooted," and that, "it is time for action."

It seems to me that the State Department pursues the same laudable goal of increased foreign trade, but with a callous indifference to the effect of its policies and recommendations on thousands of textile workers, thousands of manufacturers, and thousands of workers in related industries. It seems to me that the State Department blinds itself to the damage being inflicted upon the woolen industry of our Nation. The Department publicizes and exaggerates measures designed to help the situation, but these measures—such as the new duties of January 1, 1961, and the new textile machinery depreciation arrangement—while sometimes meritorious, are ineffective and picaresque when contrasted with the overall problem. Assistant Secretary Dutton's report to you is illustrative of this tendency. To use an overworked expression, "They are willing to sacrifice the industry on the altar of free trade."

The United Textile Workers of America, AFL-CIO, and its membership, are well aware of the tremendous efforts you have expended on behalf of the wool industry. We are deeply appreciative and encourage your continued commitment to the problem which is so vital to our textile community and to our whole country.

With sincere personal regards, I remain,

Fraternally yours,

FRANCIS SCHAUFENBIL,

International Secretary-Treasurer.

#### REVIEW OF USE OF COMMERCIAL AIR CARRIERS

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I want to take a few minutes today to discuss the report of the Comptroller General issued on January 9, 1962.

The report is entitled "Review of the Use of Commercial Air Carriers for Overseas Travel and Shipment of Unaccompanied Baggage of Department of Defense Personnel."

Many people are familiar with the general operation of military transportation. The Military Air Transport Service—MATS—is charged with the responsibility of providing the Joint Chiefs of Staff with an immediately available strategic airlift force for use in war or other national emergency. To meet its

primary mission, MATS is equipped with a large fleet of military transport aircraft. Under Defense Department training and operations policy this transport fleet is required to operate at a relatively high rate of peacetime aircraft utilization. In its standard operations it provides greater airlift capability than that required for normal military peacetime carrying needs.

The Defense Department uses some of this excess capacity to provide transportation for personnel and baggage. Additionally, some commercial transport is contracted for MATS use.

The new report of the Comptroller General is a study of inefficiencies in the operation of these transportation programs.

I would like to quote at length from the report to indicate its general purpose and its general conclusions:

The purpose of our review was to inquire into the use of regularly scheduled commercial flights at published tariff rates for the overseas movement of personnel and baggage and to compare the use of these commercial facilities with the available space on scheduled overseas flights of the military air transportation system to the same points.

Our review disclosed that, in fiscal year 1960, the DOD spent over \$13 million for transporting its personnel and unaccompanied baggage overseas on commercial flights at published tariff rates, while at the same time there was ample space on scheduled military and contract flights of the Military Air Transport Service (MATS) to carry a substantial portion of this traffic. MATS flights included scheduled service on military-owned aircraft and on civil aircraft under contract to MATS at rates much lower than the published tariff rates of the carriers.

Our tests showed that over 50 percent of all overseas travel and baggage shipments by commercial air originated or terminated at overseas areas, and in many cases the same cities, served by MATS. We estimate that the unused capacity of MATS scheduled overseas flights in the same year was equal to about 9 times the number of DOD passengers and 20 times the weight of DOD baggage carried by commercial air to or from the areas served by MATS. Consequently, after allowing for the approximate cost of using commercial air service to areas outside the military air transportation system, we estimate that passengers and baggage moved overseas by commercial air service at a cost of several millions of dollars could have been accommodated on concurrently scheduled MATS flights at little, if any, increase in the cost of MATS operation during fiscal year 1960.

The findings of this study are printed at some length in the body of the report. There is no doubt in my mind that the research done by the Government Accounting Office is of the highest quality, and I am convinced that the wasteful practices outlined by the Comptroller General are accurately reported. I would like to commend the report to the attention of other Members who may be interested in curbing wasteful Government expenditures.

Based on this research the Comptroller General has made three basic recommendations whose aim is the institution of more businesslike practices in this aspect of the Defense Department's operation. I believe that these

recommendations are worthy of the support of every Member:

1. Transportation regulations for the Office of the Secretary of Defense and the three military services should be revised to specifically require the use of MATS for normal overseas air travel to, from, and between countries served directly by MATS and for all other overseas air travel where MATS military and contract planes are available for a substantial portion of the trip with significant savings in transportation costs.

2. The frequent failure of transportation officers to obtain passenger spaces on MATS flights, when in fact space is available, should be subjected to a thorough study by OSD to determine the cause of this problem and to institute remedial procedures and that consideration be given to revising the practice of limiting space reservations to the minimum cabin load on flights that usually depart with higher load limits.

3. The joint travel regulations and the implementing regulations of the military services should be revised to specifically require the use of military air transportation resources for the overseas shipment of unaccompanied baggage, when air shipment is appropriate, and that the type of air transportation resources available and the countries served be clearly described in these regulations.

The Comptroller General indicates that the Department of Defense claims to be taking steps to remedy present abuses in military transportation. However, he writes that his present limited testing of the success of these remedies has shown only moderate improvement in practices.

Mr. Speaker, after a close review of the GAO studies I am convinced that at least \$7 million could be cut from this aspect of military operations alone. I believe that every effort should be made to do this.

A number of conscientious citizens and members have been disturbed at the growth of government expenditures in recent years. Many have called for cuts in Government spending. I believe there is good cause for many of these complaints, but I believe we can save a great deal of money without making cuts in essential services.

It seems to me, rather, that it would be wise to consult the excellent studies now available which indicate that there is a great deal of waste in existing programs.

The Department of Defense is notable in this regard because it is by far the largest spender in the Government. GAO studies show that it is also among the most inefficient of our Government agencies. I would respectfully urge that a more careful look be taken at the budget this year in order to take advantage of the information we already have. If we do this, I am sure that we can preserve the essential functions of our Federal Government and cut out wasteful operations such as the ones detailed in the latest report on military transportation.

#### THE PORTSMOUTH STORY

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. HARSHA] may extend his



remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HARSHA. Mr. Speaker, as we start the new year with a program and a budget presented to us encompassing everything on this earth and the moon and promising to take care of everybody and every cause the world over, I would like to call my colleagues' attention to the Portsmouth story. I am including herewith an address delivered by the Reverend E. Leslie Pritchard of the Second Presbyterian Church, Portsmouth, Ohio, at the All America City Award finals, sponsored by the National Municipal League and Look magazine, at Miami Beach, Fla., on Friday, December 1, 1961, on behalf of all the people of the Greater Portsmouth, Ohio, community.

Reverend Pritchard very ably presented the Portsmouth cause in his own inimitable way and I think the Portsmouth story points out the fact that the American people, if given the opportunity, would prefer to look after their own problems on their own initiative.

There is nothing the American people cannot have if they want it. The only prerequisite is to apply themselves using their own resources and initiative to obtain the results desired. This is exactly what occurred in the Portsmouth area, yet we were in the heart of the depressed areas in this Nation, and I am particularly proud of the part the entire community played in the effort and I commend their action to my colleagues.

I earnestly recommend that before we embark upon this program of doing all things for all people, each of my colleagues give serious thought and consideration to how the people of Portsmouth helped themselves.

#### THE PORTSMOUTH STORY

This is the Portsmouth story. Within the framework of the past 12 months, we who live in the Portsmouth, Ohio, area have witnessed a most remarkable feat, an accomplishment so typical of the grassroot greatness that built and is America that it evoked the personal endorsement of the President of the United States.

So that you may fully appreciate the timeliness of the Portsmouth story, and grasp its full significance, I would like to begin with a quotation from the inaugural address of the President of the United States.

Challenging Americans to rise to new heights through their own individual efforts, the President said:

"Ask not what your country will do for you; ask what you can do for your country."

Nowhere, to my knowledge, has that challenge been accepted more wholeheartedly, under more adverse conditions, and been met with more success than in the Portsmouth, Ohio, community that lies along the banks of the Ohio River on the northern border of the Kentucky foothills.

If I were a movie director producing the Portsmouth story, I would begin with a series of harshly candid, deeply penetrating flashbacks.

First, I would show the community, the walled river town and the rolling countryside of southern Ohio and northern Kentucky.

Twenty years ago the scene would be a bustling city of 40,000 population—a city

known nationally for its shoes and its steel—a city with a staid and solid past—with a bright and beckoning future.

The pages of the calendar fall away and it is suddenly 1960. We have lost 5,000 population. We have lost a shoe industry. And the candid camera moves in to focus on the Portsmouth of 1960. We see an area declared distressed by the Department of Commerce. We see a city where unemployment runs as high as 18 percent. We see a community where families queue up to receive their share of surplus commodities.

Slowly the candid camera moves in and we see the faces of the people, for the Portsmouth story is the story of people. We look carefully at that face and it is the face of despair, and depression and defeat.

It is at this point that the Portsmouth story begins to unfold. The need was tragically present. Something had to be done. Something had to be done to overcome the apathy of the people and forcefully and positively demonstrate that Portsmouth could come back and assume her place among the progressive cities of the Nation. All of this could be done if everyone—individually and collectively—could do his part.

Suddenly the camera moves backwards in time and we see the graduating class of Portsmouth High School in the year 1959. We look closely at their faces—pathetically aware that only 1 out of every 8 students will have the opportunity to attend college: for Portsmouth and Scioto County lie in an educational desert. The great preponderance of the available colleges lay beyond the minimum radius of 100 miles; and what opportunity was there for students whose parents had to stand in line to receive their daily allotment of food?

This was the place for beginning. Looking for progress, searching for progress, we selected the theme "Progress Through Education."

A 15 member board formed a nonprofit organization to spearhead the goal of bringing higher education to the Portsmouth area. The city of Portsmouth donated an unused school building and a minimum goal of \$85,000 was established with which to renovate and modernize that unused building.

The candid camera appears again among the people of the Portsmouth area as they weld themselves together in an almost unbelievable unity of purpose.

Here is the face of a retired school teacher who gave \$50: here is the face of a newspaper boy who turned in his weekly collection of over \$10: here is the wrinkled face of an old colored woman as she makes her humble donation.

As the camera moves back, we see the faces of the graduating class of a county high school each one of whom made a contribution of no less than \$2. This set the tone and the color of our campaign.

Quicker and quicker the camera moves and faces appear as if by magic. The PTA's, the Rotary, the Kiwanis, the Lions, the Exchange, the 4-H clubs, the Shawnee AFL-CIO Council, the social groups, the professional groups, the faces of men, women, and children from all walks of life—regardless of race, color, or creed—each intent on playing his part to meet the need and make the dream come true.

Gentlemen, this was Portsmouth's finest hour.

The result: over \$100,000 raised from an area designated distressed: over \$100,000 which was equivalent, per-capita-wise, to over \$7½ million being raised in the city of Detroit, also a distressed area: a \$100,000 which was more than enough to open the doors to Ohio University at Portsmouth and admit a freshmen class of over 150 full-time students—88 percent of whom might never have had the opportunity for higher education.

Conscious of the effort that had been made by the people of Portsmouth, the President of the United States of America, himself, sent the following telegram to be read at the dedication of Ohio University at Portsmouth.

"I want to congratulate the people of the Portsmouth area on the opening there of the new branch of the State University system of Ohio. I know that the voluntary contributions by which your community has made this educational opportunity possible for the young men and women of your region represents one of the sacrifices which Americans must and will make for the welfare and strength of our people. You have answered in a significant way what you can do for your country. Such an achievement is especially impressive in an area designated for redevelopment. I know that Secretary of Commerce Hodges, Undersecretary of Health, Education, and Welfare Nestigen, Interstate Commerce Commissioner Bush, and the Commissioner of Patents Ladd, all of whom are with you today, will personally express for me the appreciation of this Administration for your fine efforts to promote the progress of your areas and to provide an adequate opportunity for education for all our people."

#### THE LATE SENATOR SCHOEPEL

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. McINTIRE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. McINTIRE. Mr. Speaker, the passing of Senator Schoepel, of Kansas, is a tragic loss to his State and Nation. The public service performed over a long period of time by this great citizen of Kansas is far beyond that generally realized by the average citizen. Senator Schoepel combined great personal integrity and courage with deep devotion to the citizens of the Sunflower State and the Nation he loved so well.

Mrs. McIntire and I treasure the memory of our warm friendship with Senator Schoepel and extend to the bereaved widow our deepest sympathy.

#### REASONS FOR EXTENDING CONSERVATION RESERVE PROGRAM CONTRACTS

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, this bill extends the term of expiring conservation reserve contracts. Here is a brief review of the conservation reserve program and some of the reasons for recommending its extension.

Five years of experience have shown that this approach to crop adjustment is attractive to many farmers and can be an effective tool for land, capital, and labor adjustment in our overexpanded agriculture. As of the end of 1960, when the program was terminated,

there were more than 306,000 conservation reserve contracts in effect, covering 28.7 million acres of reserve cropland in 47 States. The average size participating farm was 314 acres compared to the average 1954 census farm of 242 acres.

Virtually all of this conservation reserve land is cropland, or at least was being used for crop production before it was placed under contract. Had it not been idled by the program, this land would have added substantially to existing surpluses. Instead, it is being held in reserve at an annual average rental cost to the Government of \$11.85 per acre per year. See table 1 for details by States.

The \$11.85 per acre for the 28.7 million acres under the conservation reserve compared to \$27.35 per acre average—USDA estimate—for the 26.7 million acres retired under the 1961 feed grain program, demonstrates among other things that: First, jacked up price supports in 1961 caused the Government to

bid against itself and led to payments 2½ times as much per retired acre under the feed grain program as under the conservation reserve program; second, retiring cropland on a long-term, competitive bid basis is more workable, will accomplish much more for the money expended, and requires less administration.

Particularly effective in production adjustment is the whole farm conservation reserve contract, under which the farmer rests all his eligible cropland and produces no commercial crops. The farm family may continue to live on the farm if it wishes, and use the buildings, orchard, woodland, and garden as it desires. Further, by retiring the whole farm the temptation to increase output on land remaining in production, thus offsetting the effect of land retirement, is eliminated. Some 20.3 million conservation reserve acres, or 71 percent of the total, are under contracts of this type.

Conservation reserve contracts will begin expiring in considerable volume in

1962 and some will terminate each year through the end of 1969. All of this land will have been well protected with vegetative cover and will have a higher production potential than when retired. A question for both farmers and the Government will be what to do about this acreage as it emerges from the reserve and is again available for crop production. See table 2.

A breakdown of the 28.7 million acres under conservation reserve contracts, made by USDA, shows about 26.2 million under grass and legume cover. The remaining 2.5 million acres have been permanently shifted to such uses as forests, shrubs, cover for wildlife, and ponds and lakes for livestock, water, fish, and so forth. See table 3.

I am happy to introduce legislation to provide opportunity for farmers to extend contracts on the 26.2 million acres of conservation reserve land which otherwise will likely come back into crop productions as the contracts expire.

TABLE 1.—1960 conservation reserve: Cumulative participation as to number of counties, farms, payees, reserve acres, and rental payment by States<sup>1</sup>

| State         | Counties having contracts | Farms having contracts | Estimated payees | Reserve acres | Rental obligation for 1960 <sup>2</sup> |          | State          | Counties having contracts | Farms having contracts | Estimated payees | Reserve acres | Rental obligation for 1960 <sup>2</sup> |          |
|---------------|---------------------------|------------------------|------------------|---------------|---|----------|----------------|---------------------------|------------------------|------------------|---------------|---|----------|
|               |                           |                        |                  |               | Total                                   | Per acre |                |                           |                        |                  |               | Total                                   | Per acre |
| Alabama       | 67                        | 8,338                  | 8,550            | 410,033       | \$5,080,825                             | \$12.39  | New Hampshire  | 10                        | 447                    | 447              | 11,768        | \$156,255                               | \$13.28  |
| Arizona       | 3                         | 66                     | 82               | 7,775         | 104,112                                 | 13.39    | New Jersey     | 16                        | 1,081                  | 1,086            | 50,041        | 876,807                                 | 17.52    |
| Arkansas      | 74                        | 9,518                  | 10,016           | 604,262       | 7,272,459                               | 12.04    | New Mexico     | 23                        | 3,510                  | 4,382            | 866,798       | 7,067,017                               | 8.15     |
| California    | 46                        | 1,089                  | 1,265            | 204,666       | 2,657,275                               | 12.98    | New York       | 53                        | 9,683                  | 9,790            | 508,358       | 6,493,472                               | 12.77    |
| Colorado      | 50                        | 4,760                  | 5,861            | 1,295,917     | 9,944,168                               | 7.67     | North Carolina | 99                        | 7,831                  | 8,067            | 271,207       | 4,123,337                               | 15.20    |
| Connecticut   | 8                         | 196                    | 196              | 4,702         | 91,575                                  | 19.48    | North Dakota   | 53                        | 12,291                 | 15,600           | 2,704,754     | 27,053,169                              | 10.00    |
| Delaware      | 3                         | 284                    | 304              | 18,420        | 306,854                                 | 16.66    | Ohio           | 88                        | 8,959                  | 9,195            | 524,785       | 9,044,126                               | 17.23    |
| Florida       | 39                        | 2,185                  | 2,235            | 229,384       | 2,198,919                               | 9.59     | Oklahoma       | 77                        | 16,974                 | 19,851           | 1,491,328     | 15,977,045                              | 10.71    |
| Georgia       | 158                       | 15,227                 | 15,847           | 1,061,731     | 12,146,685                              | 11.44    | Oregon         | 33                        | 2,315                  | 2,534            | 236,350       | 3,349,088                               | 14.17    |
| Idaho         | 38                        | 1,533                  | 1,802            | 293,522       | 3,536,909                               | 12.05    | Pennsylvania   | 66                        | 7,375                  | 7,488            | 373,093       | 5,758,347                               | 15.43    |
| Illinois      | 102                       | 6,140                  | 6,766            | 440,425       | 7,592,183                               | 17.24    | Rhode Island   | 3                         | 4                      | 4                | 62            | 1,233                                   | 19.89    |
| Indiana       | 92                        | 7,024                  | 8,280            | 494,338       | 9,093,872                               | 18.40    | South Carolina | 46                        | 11,891                 | 12,237           | 637,943       | 8,146,954                               | 12.77    |
| Iowa          | 100                       | 7,726                  | 8,557            | 663,087       | 12,017,608                              | 18.12    | South Dakota   | 67                        | 10,962                 | 13,843           | 1,807,541     | 18,551,872                              | 10.26    |
| Kansas        | 105                       | 12,637                 | 15,696           | 1,446,586     | 17,220,382                              | 11.90    | Tennessee      | 94                        | 7,983                  | 8,327            | 499,366       | 7,483,892                               | 14.99    |
| Kentucky      | 104                       | 5,493                  | 5,719            | 386,872       | 6,290,139                               | 16.26    | Texas          | 239                       | 33,778                 | 40,578           | 3,067,420     | 39,006,980                              | 10.64    |
| Louisiana     | 49                        | 3,279                  | 3,520            | 218,257       | 2,965,089                               | 13.59    | Utah           | 22                        | 972                    | 1,104            | 237,675       | 2,049,973                               | 8.63     |
| Maine         | 16                        | 2,671                  | 2,689            | 123,243       | 1,419,203                               | 11.52    | Vermont        | 14                        | 989                    | 995              | 32,523        | 429,721                                 | 13.21    |
| Maryland      | 23                        | 1,484                  | 1,574            | 84,753        | 1,437,538                               | 16.96    | Washington     | 95                        | 2,432                  | 2,478            | 117,228       | 1,869,921                               | 15.95    |
| Massachusetts | 12                        | 109                    | 2,854            | 44,037        | 44,037                                  | 15.43    | West Virginia  | 38                        | 2,260                  | 2,768            | 340,185       | 4,334,449                               | 12.74    |
| Michigan      | 83                        | 11,706                 | 11,913           | 720,985       | 9,437,842                               | 13.09    | Wisconsin      | 51                        | 1,820                  | 1,859            | 59,208        | 893,610                                 | 15.00    |
| Minnesota     | 88                        | 20,772                 | 22,012           | 1,944,476     | 21,835,732                              | 11.23    | Wyoming        | 71                        | 12,662                 | 12,913           | 763,468       | 10,511,801                              | 13.77    |
| Mississippi   | 82                        | 5,826                  | 5,909            | 335,277       | 4,537,377                               | 13.53    | United States  | 2,873                     | 306,182                | 337,887          | 28,659,973    | 339,546,341                             | 11.85    |
| Missouri      | 114                       | 10,974                 | 11,657           | 832,313       | 11,708,058                              | 14.14    |                |                           |                        |                  |               |   |          |
| Montana       | 51                        | 2,053                  | 2,350            | 629,919       | 5,717,448                               | 9.08     |                |                           |                        |                  |               |   |          |
| Nebraska      | 92                        | 7,419                  | 8,808            | 880,308       | 10,562,623                              | 12.00    |                |                           |                        |                  |               |   |          |
| Nevada        |                           |                        |                  |               |   |          |                |                           |                        |                  |               |   |          |

<sup>1</sup> All data are as reported July 15, 1960, and are cumulative for all 1956-60 contracts in force at that time.

<sup>2</sup> Net disbursements are somewhat less than obligations due to violations, penalties, and terminations. Due to controversies surrounding such cases some disbursements and penalty refunds are not resolved for several years.

TABLE 2.—1956-61 conservation reserve program: Estimated reserve acres for which contracts expire each year, by States<sup>1</sup>

| State           | Acres released as of Dec. 31— |        |         |        |       |        |         |         |         |       | Total acres in reserve |
|-----------------|-------------------------------|--------|---------|--------|-------|--------|---------|---------|---------|-------|------------------------|
|                 | 1961                          | 1962   | 1963    | 1964   | 1965  | 1966   | 1967    | 1968    | 1969    | 1970  |                        |
| Northeast area: |                               |        |         |        |       |        |         |         |         |       |                        |
| Connecticut     | 119                           | 29     | 2,838   | 619    | 36    | 13     | 53      | 513     | 461     | —     | 4,681                  |
| Delaware        | 356                           | 95     | 8,662   | 3,023  | 92    | 352    | 166     | 5,053   | 524     | —     | 18,323                 |
| Maine           | 7,725                         | 8,148  | 19,339  | 16,584 | 173   | 1,636  | 8,586   | 31,740  | 27,867  | 756   | 122,554                |
| Maryland        | 7,694                         | 2,660  | 43,638  | 13,093 | 185   | 914    | 1,010   | 10,674  | 4,724   | —     | 84,592                 |
| Massachusetts   | 73                            | 28     | 1,254   | 380    | 27    | 25     | 10      | 455     | 442     | —     | 2,604                  |
| New Hampshire   | 48                            | 25     | 1,307   | 509    | —     | 40     | 177     | 5,116   | 4,561   | —     | 11,763                 |
| New Jersey      | 2,367                         | 1,297  | 26,260  | 14,675 | 29    | 249    | 86      | 2,134   | 2,086   | —     | 49,183                 |
| New York        | 29,741                        | 15,657 | 147,679 | 75,619 | 1,111 | 5,340  | 7,267   | 107,372 | 106,467 | 6,084 | 502,337                |
| Pennsylvania    | 16,336                        | 7,926  | 150,697 | 82,492 | 615   | 1,713  | 2,491   | 50,236  | 53,602  | 54    | 366,162                |
| Rhode Island    | 18                            | —      | 11      | 25     | —     | —      | —       | 8       | —       | —     | 62                     |
| Vermont         | 31                            | 44     | 4,011   | 2,497  | 220   | 155    | 1,359   | 13,398  | 10,946  | —     | 32,661                 |
| Virginia        | 8,173                         | 1,436  | 42,838  | 22,567 | 1,178 | 1,496  | 1,106   | 22,921  | 13,600  | —     | 115,315                |
| West Virginia   | 1,260                         | 808    | 22,424  | 11,305 | 292   | 79     | 1,429   | 13,438  | 7,240   | —     | 58,275                 |
| Southeast area: |                               |        |         |        |       |        |         |         |         |       |                        |
| Alabama         | 8,148                         | 3,534  | 81,911  | 40,292 | 382   | 17,911 | 29,982  | 133,577 | 92,198  | —     | 407,935                |
| Arkansas        | 25,351                        | 19,888 | 198,871 | 83,136 | 1,338 | 7,494  | 24,827  | 159,785 | 77,700  | —     | 598,390                |
| Florida         | 6,924                         | 3,170  | 12,818  | 18,653 | 256   | 38,851 | 21,543  | 68,439  | 58,554  | —     | 229,208                |
| Georgia         | 16,543                        | 11,774 | 103,699 | 71,539 | 1,508 | 74,366 | 152,108 | 372,116 | 255,410 | —     | 1,059,063              |
| Louisiana       | 4,011                         | 2,258  | 54,528  | 26,942 | 444   | 6,884  | 30,158  | 69,013  | 24,825  | —     | 219,063                |
| Mississippi     | 27,542                        | 21,432 | 127,253 | 28,672 | 1,071 | 12,309 | 14,980  | 65,489  | 25,297  | 191   | 324,236                |
| North Carolina  | 3,851                         | 3,433  | 70,423  | 59,613 | 309   | 12,858 | 15,457  | 73,354  | 30,337  | —     | 269,635                |
| South Carolina  | 9,367                         | 4,898  | 54,759  | 54,921 | 456   | 21,649 | 60,761  | 201,100 | 227,950 | —     | 635,861                |
| Tennessee       | 12,994                        | 12,585 | 182,556 | 78,738 | 1,468 | 8,472  | 14,323  | 134,003 | 80,738  | —     | 495,877                |

See footnote at end of table.



TABLE 2.—1956-61 Conservation reserve program: Estimated reserve acres for which contracts expire each year, by States<sup>1</sup>—Continued

| State           | Acres released as of Dec. 31— |           |           |           |         |           |           |           |           |       | Total acres in reserve |
|-----------------|-------------------------------|-----------|-----------|-----------|---------|-----------|-----------|-----------|-----------|-------|------------------------|
|                 | 1961                          | 1962      | 1963      | 1964      | 1965    | 1966      | 1967      | 1968      | 1969      | 1970  |                        |
| Midwest area:   |                               |           |           |           |         |           |           |           |           |       |                        |
| Illinois        | 11,835                        | 2,846     | 275,624   | 87,183    | 918     | 2,032     | 749       | 43,734    | 11,445    | 345   | 436,711                |
| Indiana         | 18,251                        | 4,332     | 267,069   | 118,895   | 4,290   | 1,169     | 437       | 54,322    | 24,520    |       | 493,285                |
| Iowa            | 47,804                        | 13,789    | 372,195   | 168,150   | 2,308   | 1,026     | 942       | 34,988    | 17,019    |       | 658,231                |
| Kentucky        | 8,726                         | 3,949     | 168,804   | 68,802    | 1,085   | 1,349     | 2,218     | 98,962    | 32,911    |       | 387,806                |
| Michigan        | 38,913                        | 15,614    | 286,739   | 162,434   | 1,410   | 8,100     | 5,330     | 95,804    | 93,726    |       | 708,070                |
| Missouri        | 33,645                        | 30,727    | 283,410   | 160,507   | 2,095   | 5,568     | 4,270     | 221,317   | 87,323    |       | 828,862                |
| Ohio            | 21,504                        | 6,663     | 246,821   | 140,062   | 1,010   | 1,254     | 792       | 50,652    | 48,411    | 50    | 516,619                |
| Wisconsin       | 42,657                        | 14,004    | 306,083   | 171,622   | 1,026   | 11,831    | 6,927     | 105,678   | 88,987    | 105   | 748,920                |
| Northwest area: |                               |           |           |           |         |           |           |           |           |       |                        |
| Idaho           | 13,397                        | 6,421     | 93,620    | 44,255    | 2,507   | 6,535     | 1,485     | 83,748    | 39,347    | 225   | 291,540                |
| Minnesota       | 194,766                       | 167,131   | 607,352   | 186,368   | 8,894   | 189,556   | 136,809   | 304,267   | 105,984   | 2,049 | 1,903,176              |
| Montana         | 29,988                        | 14,503    | 142,191   | 59,587    | 2,921   | 13,891    | 14,450    | 224,883   | 124,989   |       | 627,403                |
| Nebraska        | 42,435                        | 17,022    | 349,887   | 144,540   | 2,488   | 10,124    | 7,396     | 218,394   | 83,839    |       | 876,125                |
| North Dakota    | 199,662                       | 130,617   | 513,792   | 402,433   | 8,316   | 199,864   | 129,771   | 571,752   | 548,512   |       | 2,704,719              |
| Oregon          | 19,066                        | 10,365    | 84,959    | 36,372    | 1,418   | 8,987     | 6,453     | 40,714    | 24,735    |       | 233,069                |
| South Dakota    | 151,661                       | 85,374    | 410,602   | 335,511   | 5,911   | 54,448    | 37,831    | 425,490   | 315,245   |       | 1,822,073              |
| Washington      | 9,890                         | 13,761    | 114,268   | 45,332    | 3,871   | 3,056     | 10,971    | 95,616    | 39,299    |       | 336,034                |
| Wyoming         | 14,322                        | 2,935     | 32,503    | 10,756    |         | 3,827     | 1,396     | 44,342    | 14,325    |       | 124,406                |
| Southwest area: |                               |           |           |           |         |           |           |           |           |       |                        |
| Arizona         | 4,676                         | 477       | 438       |           |         | 1,739     | 431       |           |           |       | 7,761                  |
| California      | 16,223                        | 7,470     | 89,546    | 36,586    | 3,103   | 1,801     | 1,427     | 32,937    | 11,740    |       | 200,833                |
| Colorado        | 99,576                        | 40,891    | 137,784   | 30,497    | 3,434   | 178,528   | 82,845    | 604,114   | 122,212   |       | 1,229,881              |
| Kansas          | 72,390                        | 79,120    | 344,243   | 110,378   | 11,179  | 78,191    | 94,193    | 412,997   | 247,283   |       | 1,449,974              |
| Nevada          |                               |           |           |           |         |           |           |           |           |       |                        |
| New Mexico      | 85,986                        | 14,211    | 13,813    | 470       | 251,424 | 308,208   | 113,288   | 77,559    | 360       |       | 885,319                |
| Oklahoma        | 136,561                       | 83,952    | 334,079   | 155,760   | 4,938   | 129,087   | 81,612    | 341,844   | 225,842   |       | 1,493,675              |
| Texas           | 647,503                       | 205,321   | 644,624   | 255,606   | 211,250 | 495,680   | 220,696   | 697,746   | 276,091   |       | 3,655,117              |
| Utah            | 22,352                        | 6,399     | 44,201    | 13,955    | 841     | 45,293    | 10,077    | 66,858    | 24,089    |       | 234,065                |
| United States   | 2,172,411                     | 1,069,019 | 7,491,923 | 3,651,955 | 547,827 | 1,973,950 | 1,360,675 | 6,489,562 | 3,714,363 | 9,859 | 28,511,544             |

<sup>1</sup> Based on report from Data Processing Center of contracts on record Jan. 1, 1961, derived by dividing annual payment for each year of expiration for each State by

the State average rental per acre for all land in the reserve in 1961.

TABLE 3.—Conservation cover with cost-share assistance required under contracts in force July 15, 1960, by States, with total completions as of that date

| State         | Conservation cover required to be established with cost-share assistance on contracts in force July 15, 1960 <sup>1</sup> |                   |        |       |                        |                             | Estimated U.S. cost-share payment, dollars <sup>2</sup> | State              | Conservation cover required to be established with cost-share assistance on contracts in force July 15, 1960 <sup>1</sup> |                   |        |        |                        |                             | Estimated U.S. cost-share payment, dollars <sup>2</sup> |             |
|---------------|---|-------------------|--------|-------|------------------------|-----------------------------|---|--------------------|---|-------------------|--------|--------|------------------------|-----------------------------|---|-------------|
|               | Grass and legume cover, acres   | Tree cover, acres | Ponds  |       | Wild-life cover, acres | Acres flooded for wild-life |   |                    | Grass and legume cover, acres   | Tree cover, acres | Ponds  |        | Wild-life cover, acres | Acres flooded for wild-life |   |             |
|               |   |                   | Number | Acres |                        |                             |   |                    |   |                   | Number | Acres  |                        |                             |   |             |
| Alabama       | 165,713   | 218,670           | 112    | 313   | 1,544                  | 25                          | 4,162,144   | Nevada             |   |                   |        |        |                        |                             |   |             |
| Arizona       | 7,751   |                   |        |       |                        |                             | 63,164  | New Hampshire      | 99  | 4,651             | 22     | 37     | 1                      | 1                           |   | 124,121     |
| Arkansas      | 298,388   | 97,146            | 125    | 1,852 | 912                    | 1,347                       | 2,545,786   | New Jersey         | 23,898  | 438               | 4      | 4      | 174                    |                             |   | 517,304     |
| California    | 90,891  | 25                | 5      | 6     | 1,599                  | 2,355                       | 1,005,863   | New Mexico         | 862,503   |                   |        |        |                        |                             |   | 4,323,124   |
| Colorado      | 1,272,902   | 826               | 19     | 35    | 278                    | 20                          | 4,840,411   | New York           | 90,370  | 54,088            | 789    | 1,176  | 306                    | 64                          |   | 3,363,048   |
| Connecticut   | 930   | 312               | 1      | 1     | 10                     |                             | 20,713  | North Carolina     | 74,941  | 108,275           | 391    | 506    | 1,214                  | 19                          |   | 2,714,683   |
| Delaware      | 11,824  | 756               | 6      | 4     | 160                    | 1                           | 183,486   | North Dakota       | 2,371,335   | 5,366             | 1      | 2      | 76,238                 | 871                         |   | 11,374,286  |
| Florida       | 52,701  | 164,053           | 4      | 13    | 683                    |                             | 1,877,263   | Ohio               | 154,181   | 2,468             | 259    | 517    | 21,174                 | 51                          |   | 2,319,089   |
| Georgia       | 308,254   | 694,938           | 85     | 261   | 2,101                  | 9                           | 9,827,906   | Oklahoma           | 1,293,390   | 2,312             | 75     | 179    | 56,463                 | 46                          |   | 8,862,142   |
| Idaho         | 237,718   | 1,488             | 3      | 4     | 404                    | 100                         | 1,262,424   | Oregon             | 148,829   | 5,973             | 14     | 20     | 5,214                  | 556                         |   | 1,332,536   |
| Illinois      | 329,838   | 4,188             | 99     | 146   | 2,915                  |                             | 2,901,737   | Pennsylvania       | 49,484  | 11,558            | 87     | 198    | 285                    | 3                           |   | 1,208,859   |
| Indiana       | 267,784   | 2,467             | 123    | 343   | 6,493                  | 96                          | 3,050,148   | Rhode Island       | 25  |                   |        |        |                        |                             |   | 408         |
| Iowa          | 265,715   | 4,616             | 152    | 633   | 22                     |                             | 1,708,839   | South Carolina     | 135,948   | 360,669           | 52     | 89     | 830                    | 2,173                       |   | 4,506,844   |
| Kansas        | 1,358,584   | 420               | 38     | 52    | 141                    | 195                         | 14,274,176  | South Dakota       | 1,432,344   | 2,853             | 19     | 12     | 13,775                 | 32                          |   | 9,347,443   |
| Kentucky      | 230,986   | 4,297             | 575    | 756   | 494                    |                             | 4,468,618   | Tennessee          | 315,585   | 47,717            | 754    | 1,208  | 555                    | 565                         |   | 4,929,877   |
| Louisiana     | 57,776  | 88,544            | 98     | 1,374 | 264                    | 547                         | 776,307   | Texas              | 3,078,884   | 65,782            | 182    | 185    | 41,654                 |                             |   | 21,343,535  |
| Maine         | 33,427  | 17,093            |        |       |                        |                             | 1,209,088   | Utah               | 213,958   | 72                |        |        |                        |                             |   | 935,676     |
| Maryland      | 27,059  | 3,366             | 27     | 25    | 6,021                  | 3                           | 448,183   | Vermont            | 90  | 11,657            | 38     | 51     |                        | 4                           |   | 281,877     |
| Massachusetts | 342   | 429               |        |       | 67                     |                             | 20,276  | Virginia           | 25,354  | 14,370            | 26     | 55     | 331                    | 6                           |   | 581,777     |
| Michigan      | 148,791   | 31,005            | 45     | 254   | 4,496                  | 115                         | 3,271,989   | Washington         | 180,141   | 3,771             | 5      | 15     | 54,734                 | 243                         |   | 1,483,841   |
| Minnesota     | 1,160,396   | 28,337            | 3      | 4     | 124                    | 65                          | 6,816,070   | West Virginia      | 4,748   | 4,376             | 52     | 88     | 44                     | 1                           |   | 186,221     |
| Mississippi   | 192,957   | 65,153            | 24     | 287   | 1,043                  | 111                         | 2,021,735   | Wisconsin          | 228,235   | 28,829            | 18     | 46     | 1,744                  | 27                          |   | 1,942,280   |
| Missouri      | 474,292   | 2,915             | 2,257  | 3,877 | 186                    | 2,448                       | 11,596,850  | Wyoming            | 91,939  | 74                |        |        |                        |                             |   | 235,175     |
| Montana       | 559,789   | 1,235             | 3      | 7     | 255                    |                             | 1,769,873   | Total <sup>1</sup> | 19,016,296  | 2,168,540         | 6,605  | 14,666 | 305,080                | 12,099                      |   | 166,617,108 |
| Nebraska      | 685,207   | 962               | 13     | 31    | 132                    |                             | 4,580,203   |                    |   |                   |        |        |                        |                             |   |             |

<sup>1</sup> These columns exclude 7,143,292 acres of land in satisfactory cover when contract was signed or for which cover is established at no cost to this program.

<sup>2</sup> Items for each State reflect latest available estimate with adjustments for costs which have been found to be lower than original estimates.

### THIRD-CLASS MAIL

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. GLENN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GLENN. Mr. Speaker, there have been a good many statements to the effect that people do not like third-class mail. It is also argued that nobody re-

sponds to the sales messages contained in the 18 billion pieces of third-class mail handled annually by the Postal Establishment. These arguments are pure poppycock.

As my colleagues may know, Atlantic City is a depressed labor area. The people of Atlantic City are proud to have in their community an outstanding mail order operation, Spencer Gifts. This company employs between 150 and 400 people during the year. The postal bill of Spencer Gifts is almost \$1 million annually and is by far the largest customer

of the post office in Atlantic City. The fact that this company sells merchandise having a value of almost \$6 million each year certainly gives the lie to the statements of those who charge that nobody reads or responds to third-class mail. Spencer Gifts is a catalog house and gives full value to its many customers. The products sold through its catalogs are purchased from business firms in almost every State of the Union.

As Postmaster General Day, himself, has pointed out in press conferences, the rate of postage for third-class mail has

advanced 150 percent since 1952. The Congress has legislated three increases on this category of mail in the short period of 10 years; one in 1952, another in 1959, and the last in 1960.

I firmly believe that another increase in the bulk third-class mail rate would only serve to reduce the volume of such sales literature and cause a drop in sales, something neither I nor the administration wants.

The committee bill raises various third-class rates to a sufficient degree. I do not believe we should vote for the administration substitute bill which would increase third-class mail rates even further.

The Commerce Department was supposed to conduct a survey to determine the impact on bulk mailers of the 1960 rate increase.

This has not been done.

In view of this failure on the part of the businessman's arm of Government to advise the Congress of the probable impact of another rate increase, I do not believe we would be acting responsibly if we approved the administration's substitute bill.

I will vote for the committee-approved bill and against the administration substitute.

#### DISABILITY INSURANCE BENEFITS

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BARRY. Mr. Speaker, there is at present a requirement in the social security law that a person must be disabled for 6 months before he can be paid disability insurance benefits. The purpose of this requirement is to allow time to clear up those conditions which are essentially temporary or to allow time to show improvement in order to determine whether or not the individual will recover.

Certainly it is wise to ascertain as clearly as possible whether an injury will result in a permanent disability before benefits are paid. However, there are certain cases in which the permanent nature of the injury is obvious from the start. For example, in cases where an arm or leg is amputated, there is no doubt that the injury is permanent and that disability benefits are in order. However, under the present law no exception to the rule is made and a 6-month wait is required.

Mr. Speaker, the disability is hard enough to bear, but the attendant financial hardship to the injured person's family makes the situation even more unbearable. In instances where the nature of the injury is clear and there is no doubt that payments will eventually be made, the 6-month waiting period is unjustified.

I have therefore introduced a bill to give the Social Security Administrator authority to remove the 6-month waiting period in cases where the severity

of the disability is immediately determinable. I hope that the House will see fit to act favorably on this measure, thereby allowing relief to those whose suffering is needlessly compounded by provisions of present law.

#### THE REMEDY FOR DEFICITS IS SIMPLE: JUST SPEND LESS

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. GARLAND] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GARLAND. Mr. Speaker, Mrs. May Craig, Washington correspondent for the Gannett newspapers, of Maine, has a national reputation for her shrewd reporting and analysis of the news in today's fast-moving world.

In the Sunday, January 21, 1962, Portland Sunday Telegram and Sunday Press Herald, Mrs. Craig discusses Federal spending. She concludes by saying:

It's simple, my friend—don't spend more than you take in.

So my colleagues may have the opportunity to study this penetrating column by Mrs. Craig, I include this article in the Record:

#### THE REMEDY FOR DEFICITS IS SIMPLE: JUST SPEND LESS

(By May Craig)

WASHINGTON.—It's not just the \$93 billion budget the President has sent to Congress; it's the President's request for a \$10 billion increase in the national debt limit past the present \$298 billion that raises the blood pressure of conservatives. Year by year the national debt increases; year by year we pay out several billions in interest; year by year we run a deficit. We spend more than we take in. When Roosevelt came in he talked about how many governments are wrecked on the rocks of loose fiscal policy. He came in at the depth of the great depression and he had to spend for relief and recovery, and we have been spending ever since, under Democratic Presidents and the one Eisenhower Republican interlude.

There is one simple remedy for deficits—spend less than you take in. Kennedy talks about a balanced budget, as others have, but, in all the maze of figures and the false way we have of reporting actual spending, the public has no idea where it really stands.

Democratic Senator HARRY BYRD, of Virginia (often called a Republican who lives in Virginia) is chairman of the Senate Finance Committee. Very conservative, he is out of tune with Democratic spending. The increase in the debt must come first from the House, where all money bills (tax and appropriation) must originate, but BYRD is extremely important in what the Senate does and no bill can become law without both Houses. The Senator says he is willing to go along with an increase in the debt limit to \$300 billion right away, because by the first of March, not 6 weeks away, we won't have enough money to pay our bills.

What a thing to have to tell Congress. The President told the leaders of both parties when they went down to the White House just before Congress met. We were not told by the White House that this is what the leaders were told, in the watery-say-nothing statement they gave out. But we hotfooted it to the Capitol and they told us there. There is so much more secrecy now about

Government affairs, I don't know what we would do if we did not have Members of Congress to tell us.

This financial situation of our Government disgraces us internationally; we were so bad off a few months ago, with the drain on our gold and its consequences, that we had to ask help of our friends and allies. That makes them mistrust our financial stability, and how much they can depend upon us. What do you think they think now—when the President says we can't pay our bills, a couple of months from now, unless Congress lets him borrow a lot more?

When you keep on spending more than you take in and have such enormous debt, you just are not solvent. We are a capitalistic system. We rest on financial solvency. Dollars are part of our political bible. What do you think the Communists are saying about the capitalistic system we are trying to get the rest of the uncommitted world to adopt? Senator BYRD is going to let the debt go up the necessary \$2 billion, but he says he is going to have a sweeping investigation of our whole financial situation—and a good thing, too, and long overdue.

Senator DIRKSEN, the Senate GOP floor leader, is going along with BYRD on this. Incidentally, the "Ev and CHARLIE" show is on again for the congressional season. This is Senator EVERETT DIRKSEN, of Illinois, and Representative CHARLES HALLECK, of Indiana, GOP House floor leader. Every Thursday when Congress is in session they have a press conference and it is so interesting, so sharp, that radio and TV cover it faithfully. They are both picturesque and informed speakers and they do not pull any punches, so reporters flock in to the show—which is in the old Supreme Court room in the middle of the Capitol, between the two Chambers.

The GOP is going to pick on spending and on foreign aid, billions of it, year after year, to friend and foe. They are going to ask what good it does us to help other countries, if we "go broke" ourselves. They are going to pick on the President's proposals for free lunches for school children all over the world. They will say these philanthropic schemes sound fine and may be very humane, but we can't afford to keep on carrying the world on our financial back—because that back is broken—when the President says we can't pay our bills in March if he doesn't get \$2 billion more on the debt limit, and \$8 billion more in the next fiscal year—then the Nation, as well as J.F.K., has a bad back.

We are all guilty together in this spending; everybody wants some of the Federal funds. But the President has the responsibility for the Federal spending. Everybody is willing to spend for defense, though the GOP and some Democrats are criticizing the President's demand for \$4 billion of the \$40 billion to land on the moon. "Is this trip necessary?" many Congressmen ask. Defense men say "Yes." The idiotic spending for agricultural surpluses and giving it away to everybody, friend and foe, is another thing Senator BYRD wants to ask about. It's simple, my friend—don't spend more than you take in.

#### VFW: GUANTANAMO BASE

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. ARENDS] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ARENDS. Mr. Speaker, there is a growing awareness throughout the Na-



tion that the fall of Cuba into the Red orbit has created a threat to the security of the United States, the Americas, and the Western Hemisphere which is unprecedented.

The rise of Castro and his Communist regime in Cuba, and Castro's public oath of allegiance to the Kremlin underlines the deadly seriousness of what is going on on that island so close to the United States.

These are indeed days requiring sound thinking on the part of our citizens. Our Nation must fully understand, not only the course of events in Cuba, but what these events mean in terms of our national security.

In view of this fundamental requirement for strong and clear thinking concerning Cuba, I recommend to the membership of the House an article, "Course of Events Supports VFW's Cuban Position," by Brig. Gen. J. D. Hittle, USMC, retired, director, national security and foreign affairs, Veterans of Foreign Wars of the United States, in the Illinois VFW News of January 1962.

The Illinois VFW News is the highly regarded official publication of the Department of Illinois, Veterans of Foreign Wars of the United States, and is printed under the supervision of Department Commander Arthur J. Muller. The editor of the Illinois VFW News is Mr. Francis J. Arnold, adjutant of the Illinois VFW.

The article, I would point out, accurately reflects the views of Mr. Robert E. Hansen, commander in chief of the VFW. Commander Hansen recently returned from the Caribbean area, and a visit to the U.S. base at Guantanamo.

This article emphasizes the reasons why the U.S. Naval Base at Guantanamo Bay is so vital to the United States. Not only is it of strategic importance, but, as the article explains, a determined U.S. position with respect to the Guantanamo Base is necessary because the base is, in the eyes of all Latin America, a symbol of how the United States is going to react to Castro's threats and pressures.

I believe that it is also significant, as the article points out, that the Cuban Government is creating a Communist no man's strip completely around the boundary line on the U.S. base at Guantanamo. Obviously, Castro expects that there will be eventually a flow of refugees from his police state to the sanctuary of the American base. He is taking this means to isolate the base and to block the refugees. As the article points out, it is only logical to expect that communism, both in Cuba and elsewhere, is going to increasingly demand the ousting of the United States from the Guantanamo Base. This VFW article, in setting forth the vital strategic facts with respect to the U.S. base at Guantanamo, performs a highly useful service to our Nation. It is another example of the manner in which the Veterans of Foreign Wars of the United States contributes so greatly to an understanding of our national security and foreign problems and thus helps strengthen our Nation.

In addition, I would like to invite attention to the fact that, as the article indicates, the disastrous course of events

in Cuba were not only foreseen by the VFW, but the Veterans of Foreign Wars actions recommended through the mandates of the VFW national convention in Miami Beach in August of 1961, are completely justified by events as they have developed. Such farsightedness in national security and foreign affairs is indeed a rare occurrence, and the VFW is indeed to be congratulated.

The article, from the Illinois VFW News, follows:

#### COURSE OF EVENTS SUPPORTS VFW'S CUBAN POSITION—DELEGATES AT MIAMI BEACH ACTED WISELY

(By Brig. Gen. J. D. Hittle, director, national security and foreign affairs)

The disastrous course of events in Castro's Cuba continues to underline the farsightedness and wisdom of the national security and foreign affairs resolutions adopted by the 1961 VFW national convention.

At the time of the convention, it will be remembered, there were all too many Castro apologists in this country who were contending that Castro really was not a Communist, but a well-intentioned—if eccentric—reformer and humanitarian.

This, of course, had the all too familiar ring of the previously discredited claim that "the Red Chinese really were not Communists, but just agrarian reformers."

The VFW can take a real sense of satisfaction in that it was never misled as to the actual Communist nature of the Red Chinese. As events have proved the VFW was certainly not misled with respect to Castro and his bearded henchmen.

#### RECALL RESOLUTIONS

Castro's public pledge of allegiance to the Kremlin, world communism, and Marxism-Leninism establishes, beyond all doubt, the validity of the VFW resolutions urging a resolute and strong U.S. policy against the Red Cuban regime. These resolutions, by way of summary, call for strict application of the Monroe Doctrine; opposing financial or material aid to Cuba directly or indirectly through the economic development activities of the United Nations; also that the United States maintain its base in Cuba "at all costs."

These resolutions reflect a keen awareness on the part of the VFW as to the mortal danger posed by a militantly Communist government 90 miles from the United States.

The strategic implications of a Kremlin-allied government in Cuba are truly tremendous. There is very good reason to believe Red control of Cuba is the most fundamental specific threat to U.S. national security since the founding of our country. Following are two specific examples of the soundness of the VFW mandates regarding the Cuban problem:

1. Tractors for Castro. Some several months ago a deal was in the making to trade tractors for Castro's prisoners. Resolution No. 128 of our 1961 convention resolved that "We go on record unalterably opposed to giving aid to the dictator, Fidel Castro, in the form of loans, tractors, bulldozers, or any type of equipment." The VFW realized that such heavy engineering equipment could be used for military purposes just as well as for working in the canefields.

#### NEW DEATH STRIP

At this very moment the Cuban Government is clearing and leveling a Communist-styled no man's strip completely around the boundary line of the U.S. naval base at Guantanamo Bay. This is the same kind of "death strip" with which the Kremlin has scarred so much of central Europe. U.S. personnel who have had a chance to examine the bulldozers doing this ominous job around the Guantanamo base for the Red

tyranny report they are of U.S. make. Undoubtedly these "dozers" were obtained by round-about, tricky deals, and reshipment. But, had Castro been successful in getting the hundreds of tractors he was dickering for, he would have had a much larger supply of this equipment for advancing his program of communization and oppression.

2. Retaining the U.S. base at all costs: This underlines the VFW's appreciation of the importance of the Guantanamo Bay naval base not only strategically, but also as a symbol of U.S. determination not to knuckle down in the face of Castro's threats and pressures. Also, this portion of Resolution No. 128 makes it abundantly clear that the VFW fully rejected the dangerous views that the U.S. base at Guantanamo Bay has "lost much of its strategic value." With a Red Cuba giving communism a position from which to jeopardize the Caribbean and place the Panama Canal in peril, the U.S. Guantanamo base today has an importance greater than at any time in history. It is vital to the security of the United States and the free world. To turn it over to world communism would be, on our part, an act of national suicide.

#### WILL CITE PRECEDENT

This issue of Guantanamo Bay is going to become more heated as Castro exerts increasing pressure and international communism focuses its propaganda on U.S. retention of Guantanamo Bay. Needless to say, Nehru's shift from idealism to militarism in attacking the tiny Portuguese holdings on the coast of India will set a precedent for Communist propaganda's insistence that the United States be ousted from Guantanamo Bay.

Thus, events of the past few months have demonstrated the intrinsic soundness of VFW resolutions with respect to Cuba. It is only realistic to anticipate that the events of the next months—and probably years—will underline even more heavily how important are the policies advocated by our resolutions. These, as other VFW resolutions, merit the energetic support of our entire membership.

#### UNITED NATIONS BONDS

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Hiestand] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. Hiestand. Mr. Speaker, I have today introduced a joint resolution, urging that the United States refuse to purchase United Nations bonds until other U.N. members have paid their share of the organization's expenses.

Sound reasoning alone should prevent Congress from complying with the President's request that the United States should purchase \$100 million of a pending U.N. \$200 million bond issue. We should certainly expect other nations to pay their share rather than be the fall guy, a role becoming increasingly uncomfortable.

This joint resolution would express the feelings of millions of Americans who are raising serious objections to the U.N. bond proposal.

Why should Uncle Sam be the usual patsy? Why should we pick up the tab for those U.N. members who do not pay their share?

The payment record of many U.N. members is so shameful that they could not get credit at a 5 and 10 cent store.

Of the \$48,500,000 assessment levied for 1960's Congo operation, only \$25,651,017.75 has been paid. Of that sum, the United States has paid its full assessment of \$15,745,211, or three-fifths of the total paid by all nations. Sixty-four nations never paid a dime. The situation with the 1961 assessment of \$100 million is even more dismal. Of this amount, only \$49,275,727.60 has been paid. And, of this sum, Uncle Sam has paid his full assessment of \$32,204,061, or two-thirds of the total paid by all nations. Seventy-eight nations never paid a cent.

Mr. Speaker, the U.N. Congo operation's deficit was so critical that Congress only last year appropriated an additional voluntary sum of \$15,305,596—above our assessment of more than \$32 million. The Congo deficit is not the whole story, either. The United States is one of few who paid its share of the Gaza Strip operation and 57 nations are in arrears in annual budget assessments.

Purchase of the bonds would increase our national debt as we are currently operating at a deficit. The U.N. bonds will pay only 2 percent interest. As the United States raises funds to buy the bonds, we will be paying over 3 percent interest on our national debt. What a swindle.

#### AMERICAN EMBASSY BUILDING AT KARACHI

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MONAGAN. Mr. Speaker, I was interested to read in the CONGRESSIONAL RECORD of January 22, 1962, the remarks of the gentleman from Tennessee [Mr. EVINS] concerning the agreement by the Government of Pakistan to contribute rupees for local labor toward the cost of constructing an American Embassy building at Karachi.

He went on to state that he was informed that this contribution constituted the only contribution of this type ever made by a foreign nation to the United States.

Without in any way detracting from the contribution of Pakistan—which we all applaud—I should like to point out that this contribution is not unique.

There is an example of even greater generosity in a somewhat similar contribution by the Government of the Netherlands Antilles. When our Foreign Operations Subcommittee visited Curacao in December of last year, we were entertained by the American consul general in the charming and beautiful consular building, Roosevelt House, at Willemstad. We were pleased and surprised to be told by the American consul general, Mervyn V. Pallister, that this lovely building had been constructed and presented to the United States of America by the Government of the

Netherlands Antilles to express the appreciation of the people of these islands for the efforts of the United States in protecting their territory during World War II.

I am sure that the gentleman from Tennessee will welcome this addition to the RECORD.

#### CULTURAL AND EDUCATIONAL EXCHANGE PROGRAM

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MONAGAN. Mr. Speaker, last year Congress passed the Fulbright-Hays Act. This important legislation codified and gave vitality to the cultural and educational exchange program. This program is an important phase of our foreign policy operations and it is based on the assumption that the exchange between countries of scholars, artists, intellectuals, and national leaders will lessen the tensions between nations; will educate other nations in the virtues of democracy and will create an improved image of the United States abroad.

One of the most effective expounders of democratic values is Hal Holbrook, the noted actor famed for his re-creation of Samuel Clemens in his celebrated solo performance of "Mark Twain Tonight." Holbrook did yeoman work in bringing his famous character portrayal to many of the countries of Europe. He had marked success in places as widely separated as Belgrade, Yugoslavia and a small country town in Finland.

A very descriptive picture of Mr. Holbrook's visit by Dick Moore recently appeared in the magazine *Equity* and I append this article to my remarks because of its graphic picture of the beneficial effect of this particular cultural exchange program and its emphasis thereby of the value of the Fulbright-Hays legislation.

#### HAL HOLBROOK

When Hal Holbrook gives his celebrated solo performances of "Mark Twain Tonight" a note on the program precedes a list of 32 selections. The note reads: "While Mr. Twain's selections will come from the list below, we have been unable to pin him down as to which of them he will do. He claims this would cripple his inspiration. However, he has generously conceded to a printed program for the benefit of those who are in distress and wish to fan themselves." The program further speculates that of intermissions there will be "one or two, probably," and dismisses the dearth of music by explaining that "a trombone player was engaged, but is unreliable and should not be expected." Then, just in case the audience is under the impression that Mr. Holbrook is permitting himself to be pinned down after all, the pamphlet goes on to caution that it is not really "official" and that the program is subject to change.

One might assume from the foregoing that Hal Holbrook is loathe to commit himself. Not true. For this 36-year-old actor-monotheist-writer-ambassador has, on an exhaustive tour of Europe under the auspices

of the American State Department, committed himself deeply to the task of making Americans understood, and to an attempt at understanding people in other countries, too.

Hal Holbrook's living incarnation of Mark Twain was conceived in 1953, and, after a gestation period of 2 years, was delivered in 1955 without assistance in the Greenwich Village night club, Upstairs at the Duplex, where it remained and grew for 7 months. Off-Broadway, concert tours, record albums and a 22-week Broadway sellout followed. Among Mr. Holbrook's engagements was a guest appearance at an annual birthday party given for President Eisenhower by the White House Correspondents Association.

Prior to this impressive chain of events there had been 7 years of stock; a two-person repertory company (organized with his wife) which gave 800 performances of Shakespeare for students, and a list of television credits (including a running part on a soap opera) which is respectable but not imposing.

Soon to be seen on Broadway in "Do You Know the Milky Way?" Hal Holbrook still regards his tour for the State Department as the most personally satisfying engagement of his career.

"Question. It's been reported that you're abandoning your role as Mark Twain. Is that true?"

"Answer. I don't intend to give it up until I'm dead. What I would like to do is a play or two occasionally and then go back to Twain. I think the danger in doing a character like Twain is when you run it for a long time you begin to lose your spontaneity.

"Question. Will you visit other parts of the world to represent the State Department?"

"Answer. Yes, I think so. I've been asked to represent them in several parts of the world and I've also received some very good offers to appear commercially all around the world. And what I would like to do in 2 years if I can be lucky enough to get what I want in the interim, is to go away for 10 months with my wife and two children and make a slow journey completely around the world, which is what Twain did, you see. I would like to re-create his trip, but add a lot more countries to it.

"Question. On your recent tour for the State Department you were completely sold out in most cases. Had your European audiences heard of your success in the United States, and what kind of preparation was made for you?"

"Answer. I'm a little unsure how to answer that. My impression is that they really hadn't heard of me in most cases. For instance, in Belgrade, Yugoslavia, and even Oslo, they hadn't heard of me. But they knew Mark Twain extremely well and that's what I think drew them into the theater. However, what seemed remarkable to me was that just a little advance publicity in the form of newspaper releases, telling the public who I was and that I had been successful with this Mark Twain show, drew a whole houseful of people. They had to turn them away in many cases. That indicates two things, I think: a tremendous interest abroad in Mark Twain—they read him fully as much as we do—and that those people will go to see a live American actor on the stage the way children go to the zoo to see strange animals. An American actor, especially in a straight nonmusical play, is a strange freakish animal to most Europeans. They haven't seen many of us. In some of the European cities I visited I was the first American actor in a nonmusical production to be sent abroad by our country in 15 years. Even in a city like Vienna.

"Question. You make a distinction between actors appearing in musical and non-musical plays. Do you feel that a straight play represents our culture better? Does it offer better communication?"



"Answer. Well, the reason I make this distinction is that we have sent Porgy and Bess and My Fair Lady on a jaunt to Russia and we have sent many musicians over there. But until recently, we sent practically no straight theater. As for the matter of communication, I feel very strongly, especially after having taken this trip, that we underestimate the power which straight plays performed by good American casts can have in the matter of communication with those people abroad. It is not only our Government that overlooks this but our theater people, too.

"Question. Not long ago you were quoted as saying that Twain's 'satirical roasting of American foibles was taken in good spirits by the audiences.' Is this 'satirical roasting' used in Iron Curtain countries to discredit the American society, or can audiences accept it for what it is—legitimate self-criticism?

"Answer. Do you know what I think? I think that people are far more similar than most of us realize. I had never been over there before, to Europe, except for one brief little jaunt. And, naturally, when I went behind the Iron Curtain I thought the first thing somebody would do would be to rush out onto the airfield, corral me, and try to make me into a Communist. Well, nobody tried to do that. As a matter of fact, they talked very little about politics. But when we criticize ourselves—not just to show what great fellows we are or how broadminded we are—but when we honestly criticize ourselves, especially with humor, I think it's the most disarming approach America can take with other people.

"Question. You think this is understood on all levels?

"Answer. Absolutely. Those people over there are just the same as we are. They're people, they grow up, they go to college, they go out and buy groceries, they have children, their families sit around and talk politics, theater, one thing or another. They are not dumb people and just because somebody tells them something it doesn't always mean they're always going to believe it. If they go to the theater to see an American production it means they're interested in seeing an American production. That's one step already. They have an inquisitiveness; they go there to find out something, and perhaps they go there to find out something they haven't quite been told yet. It's a very hard thing to explain to anybody, but people who go to the theater, they're not dumb. Twain did criticize himself, but on a universal plane. All the time that I was playing Twain, especially in the Iron Curtain countries, my whole motivation, the whole thought in my head was, 'I wonder if you're gonna get the real point here. I'm not just talking about myself and my country. I'm talking about the human race of which you are a member.' And I think people got that very, very much. Mark Twain is tremendously popular abroad. Well, why? He couldn't be popular abroad just because he wrote pretty stories about the Mississippi River. He's popular because he's a universal spokesman for the human race. And the human race is the same.

"Question. Did most of the people who came to see you speak English?

"Answer. Most of them, yes, but not all. It's so disheartening to try to convince people in this country—startlingly enough, people in the theater—that cultural exchange is worthwhile. They have the damndest notions about it. They know they could do it better and that it isn't being done right. Really, they have the most narrow minded vision toward the theater's role in cultural exchange, just so narrow minded that it's very disheartening to talk to them.

"Question. Could you be more specific?

"Answer. Well, take the press when I got home. I could sense from the reporters a

real skepticism. "They really understood you, huh?" This is the first question. Americans cannot quite conceive of the possibility that other nations learn another language and learn it well. Of course people over there speak English, that is, educated people, and these are the ones who would naturally go to the theater. I talked with people over there who spoke English beautifully—not so often behind the Iron Curtain, but in countries like Norway, Finland, Germany and Austria, and Holland, my gosh, they spoke wonderful English. And my show isn't just in English, it's in the American idiom. Sure, they missed some things, but you know I got the biggest response I've ever had in Oslo, Norway. Laughs.

"Question. More so than in New York?

"Answer. New York, hell. Biggest response I've ever had anywhere.

"Question. Then they got some things that Americans didn't get?

"Answer. Yes they did. They got many things American audiences didn't get. I don't like to generalize and this was only one case, in Oslo. In Warsaw I got no response at all, but at the end of the performance they gave me an ovation which was the biggest ovation I ever had, so how do you figure it? They must have gotten something out of the show. I don't know what it was, it didn't seem to me like they were getting the jokes. But they got something. I thought they didn't understand a word; maybe they didn't.

"Question. Were you able to talk with your audiences after the shows were over?

"Answer. No, except those who came backstage or arranged parties. But I did do one thing which I think artists going abroad should do, and which the Government should make it possible for them to do when they are representing us in the cultural exchange program: I took my time. We have to make money in this country and since they pay about one-fourth as much abroad for a show as they would here, in order to even clear expenses over there it seems they have to schedule at least one show a day. Well, nobody can do a good job doing one show a day, traveling from one town to another. One of the benefits of the cultural exchange program is that there's a certain amount of financial support from the Government which enables you to take care of your obligations at home while you're away. But these tours should be constructed so that the artists involved can spend some time going to universities and talking to the students, or going to any kind of group to meet people, to talk. You don't know what a cow looks like till you see the cow, inspect his fur and everything. You have to know the details and, to me the most startling revelation of the whole trip was that those people are precisely the kind of people I know. They're me. I'm them.

"Question. Did they ask you many questions?

"Answer. Well, at first they asked a lot about Mark Twain and I was anxious to get over that and talk about America. The one idea that seemed to come up more than any was that American youths are beatniks in leather jackets—knife-carrying kids. They think this is about the norm. Long live Hollywood. And they almost always refer to the 'rich people' and the 'poor people' in America. Even in places like Finland, which is a great friend of ours, the newspapers refer to our rich people and poor people as though there's a tremendous distinction. Well, this distinction has gone somewhat out of fashion in the past 60 years, let's face it, and they don't know it overseas.

"Question. What fosters these misconceptions?

"Answer. If you want to know that, then ask yourself, 'What do I know about them? What do I think about them?' We are several thousand miles away from those people.

What do we really know about them? We know a little bit about what we read in the newspapers, mostly the headlines on an article. But, what do we know about them as people? We have tremendous suspicion about them, suspicion which is heightened by the very sensitive international situation. But this suspicion is an outgrowth of ignorance. They are as ignorant of us as we are of them. The minute you learn something about a thing you're afraid of you're not as afraid of it again. You never will be. Well, it's the same between people. The kids at the universities with the marvelous faces, tremendously eager, bright, leaning forward with faces sticking out, you know, looking right at you. Interested, every one of them. Packed classrooms. Asking questions, wanting to know and, underneath it all, responding to a kind of underplayed humor more than anything else. I didn't give any speeches, I just kind of ad-libbed, you know. There was this one incident at the University of Zagreb, when I was talking to the kids there. They were great, their faces. I've talked to university kids in this country, too. Students are wonderful. Their minds are still open. You can still blow a little fresh air through the hole in their heads; they haven't corked it up yet, so there are possibilities, see? And these kids were asking questions.

"And there was this one kid—I found out afterwards they were going to keep him out of the room because he was strongly communistic—he was standing along the wall and he finally interrupted me and he said: 'Mr. Holbrook, what do the youths in America break windows with these days?' That kind of shocked everybody into silence. I said: 'Bricks, what do you use?' And they all laughed. I said, 'I've found bricks are as good as anything else to break windows with. I've done it with a baseball sometimes when I was aiming at the catcher and missed, but I found bricks are pretty good. Don't you find them pretty good, too?' Well, he looked sheepish and didn't say anything. The class was enjoying it. We were all enjoying it in good humor. I wasn't trying to make a speech. So then I went into a rather lengthy explanation about what it's like living in New York, what makes people break windows with bricks. I tried to make them conceive of New York City, conceive of a place where there are so many millions of people packed together in one small place, on top of each other where there's no room, no room for emotional outlets. Why do people break windows? No place to play; kids, you know, nothing to do. We rip down a lot of old homes, real, crummy slums, to try to clean up the city. We're all the time cleaning up the city, we're building new houses, developments, etc., trying to make better conditions. And some kid whose family can't get into the new housing development—or maybe his crummy tenement building was torn down to make way for this new place and he's had to move around the block and make new friends and pull up his roots—he goes by this housing development and they've just put in those nice clean windows in the new building and, boy oh boy, he picks up a brick and, boy, he sees how many he can bust. That's what I told them.

"Question. How did they take to that?

"Answer. They took to that fine. Then this boy interrupted me again and he said, 'Why don't they move to the suburbs?' And I thought, my God, he's been reading 'The Man in the Gray Flannel Suit,' and I laughed and I said, 'We would love to get them to move to the suburbs. We would love it,' I said. 'But, you know, they won't go to the suburbs. People come to America in migratory waves. Every several decades we have a wave. Right now we have a wave of Puerto Ricans. A hundred years ago or a hundred and fifty we have a wave of Irish people, or German people. Right now we are in the path of a great wave of Puerto Rican people

coming to live in our country. Where do they go? They go to New York City. We would love them to leave New York City and go outside. You know, we have across the Hudson River 3,000 miles of land that's practically unexplored. There's plenty of room for everybody.' Some girl in the third or fourth row started to grin and nod her head. I said, 'But you know of course it is very dangerous to go out there because you never want to get out in Wahoo, Nebr., or Seguin, Tex., or a place like that because you can't really call yourself safe. We still have Indian wars. There's a very vicious one going on out there now, but we don't tell about that sort of thing outside of our country because we don't want a bad name, but we're really fighting these wars very hard. And our beatniks, why, even in a civilized city like Wahoo, Nebr., why you can't walk down the street at 9:30 at night because you pass a bush and some fella' or some young kid will rush out with a big knife and slit you from ear to ear.' And then those students started to look at me. They didn't know whether to take this seriously or not. Some of them started to smile and others looked terribly serious and concerned. I said, 'Oh, it's very dangerous. You don't want to cross the Hudson River.' I said, 'My kid is 5 years old. I've given him for Christmas what he wants, which is a switchblade knife with a pearl handle on it. He's been using a wooden handle one now ever since he was 3 years old and he's got six notches in it. I think that's pretty damn good for a kid his age, don't you?' Then they laughed. They just burst out laughing. They're not dumb. They're no dumber than we are.

"Question. Why in Yugoslavia would they want to exclude a Communist student from your lecture?"

"Answer. Well, it's a very simple and hospitable thing to do, and those people are very thoughtful. The people in Europe, I think, are generally far more thoughtful than we are, although I do think we would do the same thing in this country in a situation like that. This particular boy who started to heckle me had caused a lot of trouble before because he heckled visitors a great deal and they asked the cultural attaché at our Embassy in Yugoslavia whether he thought they ought to keep him out. Our man said, 'No, don't. Mr. Holbrook would want to have him there. He wants that. So, don't tell him anything about it.' And it all worked out beautifully. I was very impressed with the university. The head of the American literature department there is a wonderful man, the whole staff of the literature department was there. Poor, poor, crummy, crummy building. Awful, falling down building. Unbelievable. But they were packed in there and they were learning. They were really boiling with interest and energy, and when you arrive—hospitable. Well they invite you in to have a little slivovitz—this white gasoline they drink—and some of this coffee that would stand a cow up on its back feet, and they get you all in condition before they put you out in the room. They're very hospitable. They give you a lovely introduction. After it was over I stayed and talked. I have a nice picture you might want to use, incidentally, with the kids around me. Another point I wanted to make—Oh, yes. This kid, his young heckler, he said: 'Mr. Holbrook, you are an authority on Mark Twain. What do you think Mark Twain was criticizing in the book of the Connecticut Yankee? England or America?' And I could see what was on the other side of his brain with that particular question. I thought a minute and I said, 'That's a wonderful question. I don't think Mark Twain was criticizing Great Britain anymore than he was criticizing America or anywhere else, even over here, for instance. He was criticizing inhumanity to man, injustice, the subjugation

of masses of people by a small group of people who took advantage of them, cruelty, meanness. He was satirizing all those things, and it seems to me that those aren't peculiar to England or America.' I said, 'You remember that scene where the king is out in disguise and he passes a long line of slaves all chained together going off to a kind of a work camp? Now that sort of thing has even happened over here in Europe. Hasn't it?' Nobody said anything so I said, 'No, he was just satirizing what he always satirizes, which is the human race.'

"Question. Do our films have much influence over there and, if so, what kind?"

"Answer. God, we hear so much of this. I suppose the comments I'm going to make now, and the ones other people make, are just water off a duck's back. They don't seem to do a damn bit of good because everybody is so damned anxious to take care of themselves and get another car and all that sort of thing, washing machines and all—but it's true. There has got to be some sacrifice if you want democracy. Because it requires it. And those movies that we send abroad are not doing a very decent job of work for us. Now, the question arises, are they supposed to do a job of work for us? Well, no, it's free enterprise. The movies are made to make money and entertain people. But American movies are shown widely in other countries, and they create an impression of America which is not fair. They are too special. They deal with people who wear lovely clothes, go to nice night clubs, have wonderful cars, live in a very pretty home. You know how it is. You look at a film about a guy who's supposed to be earning about \$6,000 a year and he's living in a place that looks like his old man must be giving him an additional \$20,000 a year to make expenses. It's a little unrealistic. Now, naturally, to people who don't have that, there's a certain amount of resentment. People in Europe looking at that—they envy, they envy, and once you envy you dislike, you have fear, you have suspicion. And then of course so many of our movies deal with another specialty, which is violence, mobs, people shooting each other all the time.

"Question. In view of this situation, do you think that any kind of regulation by our Government in terms of what we do export in this especially critical time would be feasible or desirable?"

"Answer. Well, this is a very complicated question and it's not easy to say what I think, but I'll try. Basically, I am completely against regulation by the Government of the affairs of the individuals who are called citizens of the United States. But there's no simple answer. It seems to me that our Government which is doing a good job under enormous circumstances, could do a better job in the area of culture and ideas. But in order to do that the Government has to have the urgency of the people's desire behind it, because the Government is us. And if people just don't give a damn, or if people don't inform themselves well enough about this historic war of ideas—which is and has been going on for several years now—if they don't, if we don't take this seriously enough, then we won't win it. The French people have great logic, you know, and one of their basic points of logic is that you have to give up something for everything you get.

"Question. You recently testified before Congress on a number of arts bills and told of your experiences abroad. Do you have any feeling about the temper of the legislative body in terms of its willingness to recognize the importance of ideas?"

"Answer. Oh, yes. You know, it's amazing, life is such a revelation. Europe was a revelation to me, going to Washington to testify before a subcommittee was a great revelation to me. I knew, of course, that all Senators didn't wear string ties and act like

buffoons and all that sort of thing. I knew that all of them weren't ignorant of the finer things in life. But it came as a considerable surprise to me to discover real earnestness, real desire to know and great sympathy for the information they had asked me to give.

"Question. Did you find this interest keenest among the Representatives of our so-called 'culturally oriented' regions?"

"Answer. No. The subcommittee before which I appear is headed by a man named WAYNE HAYS from Ohio, from the poorest district of Ohio, the mining district. There was also MRS. FRANCES BOLTON, who is also from Ohio, from Cleveland, a more culturally minded place. There was also JOHN MONAGHAN, a Congressman from western Connecticut in the farming district, and there was also LEONARD FARBSTEIN, from 20th Street in New York City. Those four people represented a certain geographic spread and they were all very interested in seeing this bill get a proper chance. But in order to give it a proper chance to pass they need some facts. Now those people don't know much about the theater. God, you could put in a thumb what they know about theater. It does not make them ignorant; theater is not their job. They don't know—like the fuss that was raised over Helen Hayes earning \$2,500 a week overseas, which she wasn't. They don't have any idea, for instance, that an actor or actress pays an agent a commission; that a person of Miss Hayes' stature, for instance, obviously must have a secretary to handle a great deal of mail; that she loses a lot of money on a trip like that; that some actors, like myself have offices, if they've gotten into a position where they've got a lot of heavy paperwork; they have press agents to pay; that a person who makes a good amount of money in the theater has got to hire a good accountant, and they don't come cheap; and he's also got to have a smart lawyer; and by the time all these things are added up, plus other things that I haven't mentioned, it amounts to quite a financial obligation of which these people are unaware. Naturally, to them an actor is somebody that comes out and acts. He gets paid like a plumber, takes the money home and gives it to his wife, or spends it on sophisticated orgies. But, I'm very encouraged by Congress' interest in our cultural exchange. It's the people in the theater that need to be a little more intelligent about what our theater has to offer and why we should offer it to other countries.

"Question. What do we have to offer?"

"Answer. We have the most vital, energized theater in the world. It's slightly disorganized, but maybe that's one reason it's got so much flair. But when we send plays abroad the purpose should be to show an honest picture of the American human being and to express the hope that he has and to show what's in his mind, how he thinks. And the beauty of this is that people abroad seeing a play in which these things are expressed are going to say 'My God, they're just like me.' Now this is not to underestimate the tremendous ideological differences which exist. But perhaps it's not necessary to go to war and destroy everybody just because you think differently. Perhaps there's room for differences of thought. If you like each other.

"Question. Did you find that there is as much utilization of self-criticism in the plays of other countries as there is here?"

"Answer. I wasn't there long enough to find out. We saw classics, mainly, and in another language.

"Question. What about TV abroad?"

"Answer. Well, I never saw any TV while I was abroad. I don't remember anybody asking me to see it, either.

"Question. Were they interested in our television?"

"Answer. Interested, yes, but always in a kind of a critical way. I mean it came up in a lot of discussions.

"Question. How?"



"Answer. 'TV watchers,' you know, 'TV viewers, married to television.' You see, they take the articles that we write about ourselves without the sense of humor that those articles sometimes have. This is one reason why we must send more plays over there. We must see those people face to face. We must show them there are various sides to our nature. I remember in Helsinki, at a big press conference we had there, this newsman was asking something about TV, bringing up the usual criticism of America, all a 'bunch of TV watchers.' He was asking me why I didn't want to do Mark Twain on television. That had apparently come out somewhere in the Finnish press. So I told him why: briefly, because I was afraid I couldn't do it the way I wanted to do it, and also that I didn't feel that television is theater, and that Mark Twain, as I do him, belongs to the theater. I have to have an audience. You can't call two or three people, one of whom has to go to the bathroom, an audience. So I told him these various things and blasphemed television a little bit just to show him there was at least one American who didn't love it. Told him that I took it away from my children. And this newsman back at the rear said, 'Mr. Holbrook, I wish my wife could hear you now.' And I said, 'Oh, my God, you've got one, too.' And he shook his head and said 'Yes.' So you see, it's universal. The only difference is we've got the money to buy more of them, that's all. The best way to defeat the rest of the world, to kill their spirit, is for us to send free television sets abroad. Oh, we'd capture them then. It's a funny thing about us. We think we're too commercial, they think we're too commercial. One of the reasons they're so convinced we're so commercial is that we're constantly telling them so. And then we're proving it by everything we do. But if we think we're too commercial, why in the hell don't we do something about it? Now, not next week. Maybe the truth is, we don't think we're too commercial. Maybe we love it."

It was 5:30 and Mr. Holbrook had to leave. "Of course as I walked down the street after our interview I thought of many things I should have said," he recalled a few days later. "One of them is this: I think every great star in our theater should take 1 year out of the peak of his career and go abroad in an American production. It would represent a large sacrifice to him financially; but it would reward him with perhaps the most satisfying experience of his life." This thought on the record, Mr. Holbrook left town again—this time it was Vancouver for a tryout of his play. For Mr. Holbrook (who, like Mark Twain, has used the incisive tools of his own imagination to carve his opportunity) was preparing to return to Broadway where, for the first time, he would star with someone else.

#### CONGRESSIONAL ACTION FOR HIGHER EDUCATION—REPORT OF THE ADVISORY GROUP ON HIGHER EDUCATION OF THE COMMITTEE ON EDUCATION AND LABOR, JANUARY 22, 1962

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, for the last 4 months five members of the House Education and Labor Committee have been studying the unmet needs of

higher education in the United States in those fields which contribute most directly to our national security and economic growth, particularly engineering, medicine, and the sciences.

The members of this Advisory Group on Higher Education of the Committee on Education and Labor were instructed to undertake this study by the chairman of the committee, the Honorable ADAM CLAYTON POWELL, and were asked to prepare by the end of January specific recommendations for congressional action in the field of higher education.

As chairman of the Advisory Group on Higher Education, I am pleased to include in the CONGRESSIONAL RECORD the report of our group and to say that the five members of the group, three Democrats and two Republicans, are unanimously agreed on the recommendations contained in the report.

The other members of the group are: Representatives ROBERT N. GIAIMO, of Connecticut, JAMES G. O'HARA of Michigan, ALBERT H. QUIE, of Minnesota, and CHARLES A. GOODELL, of New York. Four of the members of our group visited the Soviet Union during the fall of 1961 for the purpose of observing the Soviet educational system.

I should point out, Mr. Speaker, that our group profited a great deal from a series of informal discussions with leading members of the American scientific and university community as well as with representatives of professional associations and of Federal agencies concerned with higher education.

I would like to call particular attention to the recommendation of the advisory group for a program of Federal grants to the States for the establishment of technical institutes for the purpose of training engineering technicians at the college level. These semiprofessional technicians, who will have 2 years of college level education, are greatly needed to meet the needs of our economy and in particular to help fulfill our national commitment to the conquest of space.

The work of the advisory group has been carried out on a bipartisan basis and I hope that our unanimous recommendations will be considered in that light.

Mr. Speaker, I ask unanimous consent that the text of our report, in the form of a letter to the chairman of the House Committee on Education and Labor, be printed at this point in the RECORD:

CONGRESSIONAL ACTION FOR HIGHER EDUCATION, ADVISORY GROUP ON HIGHER EDUCATION, Washington, D.C., January 22, 1962.

HON. ADAM C. POWELL, Chairman, Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Advisory Group on Higher Education of the Committee on Education and Labor is pleased to submit this report of its findings and recommendations for congressional action on higher education. The undersigned Members of Congress are unanimously agreed on the recommendations contained in this report.

In response to your instructions, we have given special attention in our work over the past 4 months to the problem of identifying the unmet needs of higher education in the fields which contribute most directly to our

national security and economic growth—especially in engineering, medicine, and the sciences. Four of the five members of the Advisory Group also visited the Soviet Union during the fall of 1961 for the purpose of observing Soviet higher education in action, particularly scientific and technical education.

We feel we profited greatly from a series of informal discussions with leading members of the American scientific and university community. As a result of our study, we are in agreement that action is required to meet the following major national needs in higher education and specialized manpower:

I. The training of greatly increased numbers of engineering and other semiprofessional technicians to fulfill our national commitment to the conquest of space, to staff our vital research and development projects, to make the best use of our limited supply of engineers and scientists and to fill the rising demand for highly skilled technical workers in industry and government.

II. The immediate start of construction of classrooms, laboratories and libraries to help provide for the doubled enrollments anticipated in our colleges and universities in this decade.

III. The production of many more, better trained, new teachers and the improvement in the effectiveness of present teachers in order both to meet rising enrollments and raise the quality of instruction in higher education.

IV. The provision of new forms of financial assistance for promising but exceptionally needy students and for incentives for outstanding academic achievement.

V. The effective stimulation of high-quality basic research on the learning process itself, an important field in which research results have been disappointing.

The Advisory Group therefore presents the following findings and unanimous recommendations for congressional action:

#### I. TECHNICAL INSTITUTES

##### Recommendation (1):

"That a program of Federal grants to the States be authorized to stimulate the establishment and expansion of technical institutes for the training of semiprofessional technicians at the college level; and

"That the Committee on Education and Labor conduct legislative hearings on this subject at the earliest possible date."

We are convinced the Nation faces an alarming shortage of semiprofessional technicians, which will become increasingly acute in engineering and space technology. Because professional engineers and scientists will be in extremely short supply for the foreseeable future, we must take steps now to insure that the limited number of engineers and scientists can be utilized as effectively as possible. We therefore believe that it is essential to make immediate provisions for a program to stimulate the training of greatly increased numbers of engineering technicians, with approximately 2 years of college level training, to assist our engineers and scientists and to multiply their effectiveness.

Experts maintain that we should be training at least one engineering technician for each graduating engineer. We are now producing only about one such technician for every four engineers. The problem has become even more serious in the past few months with the mounting of a full-scale project for a space flight to the moon. Members of the university and scientific community fear that in order to recruit enough engineers for this project alone, the National Aeronautics and Space Administration will be forced to raid the Nation's universities and industrial organizations. The required engineering technicians are nowhere in sight.

The Federal Government has done much over the years to support vocational education of less-than-college grade through such programs as Smith-Hughes and George-Barden, but these programs are not suited to meet the urgent new demand for widespread technical training at the college level.

(NOTE.—The Advisory Group feels that the area vocational programs established under title VIII of National Defense Education Act to provide vocational and technical training of less-than-college grade would be made more effective in producing industrial technicians and craftsmen if the phrases "highly skilled," "scientific knowledge," and "national defense" were removed from title VIII. Because the area vocational programs provide training of less-than-college grade, we feel they are unsuited to the production of semiprofessional technicians who require training at the college level.)

The Advisory Group believes that the best way of meeting the Nation's rising requirements for semiprofessional technicians is to expand existing or create new 2-year technical institutes at the college level, whether operated as independent institutions or by universities and community colleges, and that Federal funds are necessary to stimulate the development of these institutes. We believe it is important that professional societies should have a role in approving the programs of such institutes.

## II. ACADEMIC FACILITIES

### A. Grants and loans for construction

#### Recommendation (2):

"That a 5-year program of \$300 million annually be authorized in grants and loans for the construction of classrooms, laboratories, libraries, and other academic facilities by public and other nonprofit institutions of higher education;

"That the available funds be allotted to grants and loans in the ratio of 70-30; and

"That 50-50 matching of grants be required."

The Advisory Group found great concern over the problem of financing the expansion of academic facilities in all types of institutions, large and small, public and private. In our opinion a Federal program of grants and long-term loans for academic facilities at colleges and universities is clearly justified and deserves immediate action. It should be noted that the recommended ratio of 70 percent for grants and 30 percent for loans is based on recent surveys of the relative need for each type of financing.

### B. Science equipment

#### Recommendation (3):

"That the National Science Foundation program of grants to colleges and universities for undergraduate science teaching equipment should be expanded more rapidly and appropriations for NSF increased accordingly."

The Advisory Group found general agreement that science education in colleges and universities could be considerably strengthened if the institutions had more funds available for the purchase of modern science teaching equipment. The National Science Foundation already has a small grant program (\$5 million in 1962; \$7 million in 1963) in operation for this purpose, but authorities say that the available funds are seriously inadequate.

### C. Language equipment

#### Recommendation (4):

"That authorization be made under title VI of National Defense Education Act to provide Federal grants to be matched equally by institutions, to colleges and universities for language teaching equipment and that the appropriation authorization for title VI be increased by approximately \$5 million for this purpose."

There is ample evidence that many colleges and universities could do a much more

effective job of teaching foreign languages if they had funds for tape recorders, listening booths, and other electromechanical aids which have been proved extremely useful in language instruction. National Defense Education Act title III provides such equipment for high schools, but not for colleges. The result is that many high schools are now better equipped to teach languages than are the colleges whose job it is to train language teachers for these high schools. If this situation is not corrected the colleges will continue to produce teachers who will require expensive retraining in language institutes. Title VI of National Defense Education Act provides Federal support for language and area centers, but there are only 45 of these and they teach only the critical languages, not the commonly taught ones like French, German, and Spanish. In 1959-60, an estimated 1,675 colleges and junior colleges were conducting language training programs, but only about 700 had any substantial language learning equipment.

## III. SUPPLY AND QUALITY OF TEACHERS AT ALL LEVELS

### A. National Defense Education Act graduate fellowships

#### Recommendation (5):

"That the national defense graduate fellowship program be extended for 5 years (to June 30, 1967);

"That the number of 3-year fellowships (or their equivalent in 1- or 2-year fellowships) authorized to be awarded annually be increased to 3,500;

"That eligibility be extended to 'underutilized' as well as 'new or expanded' graduate programs;

"That the cost-of-education allowance be a flat \$2,500 (instead of 'up to');"

"That the Commissioner be given the power to set stipends by regulation, to appoint substitutes when fellows die or resign, and to award 1- or 2-year fellowships when appropriate;

"That special consideration be given to the field of engineering, with support going to master's degree candidates as well as doctoral candidates."

The Advisory Group believes that the graduate education of the men and women who will be the new college instructors of the 1965-70 period deserves very high priority. Existing Federal fellowship programs are already helping to attract well-qualified students into the graduate schools for programs of study and investigation which lead to the doctorate and toward subsequent teaching or research. It is our view that a significantly larger program of assistance to graduate students is warranted. We believe particular emphasis should be placed on engineering because of the urgent need for master's degree engineers in industry and government and for doctoral degree engineers in college teaching.

We have noted that the National Science Foundation, the National Institutes of Health and the Atomic Energy Commission already have flexible authority to determine the number and kind of their fellowship offerings, as well as to set the stipends thereof, in relation to the needs of the individual and available appropriations. The Office of Education, on the other hand, in administering its graduate fellowship program under title IV of National Defense Education Act, is restricted by existing law to a maximum of 1,500 3-year fellowships each year, with stipends specified by statute.

### B. National Defense Education Act language programs

#### Recommendation (6):

"That the National Defense Education Act Language Institutes program be extended to college teachers and those preparing themselves for college teaching;

"That more language fellowships be awarded under title VI of the National De-

fense Education Act, particularly to present and future college teachers;

"That the annual appropriation authorization for National Defense Education Act, title VI, be increased accordingly."

The supply of well-trained college teachers in the field of language and area studies should be augmented, and the Advisory Group has recognized that a simple change in title VI of National Defense Education Act should do much to solve this problem.

## C. Faculty development programs

### Recommendation (7):

"That provision be made under National Defense Education Act for a program (similar to the present NSF science faculty program) of institutes, faculty fellowships, and visiting professorships to increase the effectiveness of college teachers in all fields; and

"That matching grants be provided to institutions of higher education for support of similar faculty development programs under institutional auspices."

The Advisory Group recognizes the need for further Federal programs for the purpose of updating and increasing the effectiveness of college faculty. The National Science Foundation has made great progress in meeting this problem with respect to college science teachers, but there is a need for similar programs in the humanities, behavioral sciences, and other fields as well.

The Advisory Group also finds that NSF is doing an excellent job of bringing high school science teachers abreast of modern developments through its summer and academic year institutes. Under National Defense Education Act, title VI, the Office of Education is also making great progress in retraining high school language teachers. The members of the Advisory Group regard these types of programs as extremely valuable and are pleased to note the recent indication that the administration shares our concern for improving the quality of education at all levels.

## IV. FINANCIAL ASSISTANCE TO STUDENTS

### A. Expansion of NDEA student loan fund

#### Recommendation (8):

"That the national defense student loan program under title II of National Defense Education Act be extended for a 5-year period through June 30, 1967;

"That the annual appropriation authorization for this program be increased from \$90 million to \$200 million; and

"That the ceiling on the annual Federal capital contribution to an institution's loan fund be raised from \$250,000 to \$750,000 or eliminated entirely."

The Advisory Group feels strongly that it is of great importance to the Nation to insure that all students with the ability to do college-level work have an opportunity to do so and that the talents of able students not be wasted because they lack the funds necessary to go to college. The Advisory Group believes it is extremely important not only to get able students into college but also to encourage outstanding academic performance by students in college.

The Advisory Group views the national defense student loan program as highly successful and believes it should continue to be the primary vehicle of direct Federal assistance to students. Discussions with panel members convinced the group that requests for loans from qualified and genuinely needy students will outrun available funds at most participating institutions under present appropriation authorizations and that considerably increased Federal contributions should therefore be authorized to meet the demand for loans anticipated over the next 5 years. The group also found evidence that the \$250,000 ceiling imposed on the Federal contribution to the loan fund of a single institution was penalizing students at large institutions and agreed that the ceiling should be raised or eliminated.



**B. Assistance to exceptionally needy students****Recommendation (9):**

"That an institution of higher education may use up to 15 percent of the annual combined Federal and institutional capital contribution to its NDEA student loan fund to make financial assistance grants of up to \$1,000 a year each to promising but exceptionally needy undergraduate students and that in order to insure that these grants-in-aid are awarded only to students who could not otherwise continue their education, no student shall be eligible to receive such a grant if the income and/or assets of such student and of his family or guardian exceed ceilings to be specified under regulations of the Commissioner of Education."

The Advisory Group has sought to find a way of helping promising young people from very low-income families who do not have the financial resources to go to college. Many students are helped by NDEA loans, but some able students from exceptionally needy families, particularly girls and especially in families where there are other children who must be supported, are unable to accept the risk and burden of substantial debt in order to continue their education. To meet their expenses these exceptionally needy students require grants-in-aid.

It is the opinion of the Advisory Group that the colleges themselves have the most experience in seeking out these students and evaluating their needs. The group feels that a program of grants-in-aid to exceptionally needy students should be made part of the National Defense Education Act student loan program. Including the grants in the student loan program would save administrative costs, allow the colleges flexibility in using loans and grants-in-aid in the combinations they deem most appropriate to their students' needs and would avoid any stigma that might attach to a separate scholarship program for the neediest. Accordingly, the group favors allowing participating institutions to use up to 15 percent of the annual combined Federal and institutional contribution to their loan funds for outright grants to promising and exceptionally needy students.

**C. Incentives for academic achievement****Recommendation (10A):**

"That an institution of higher education may cancel a portion of an undergraduate student's loan for any year or years in which his academic achievement is deemed outstanding under criteria established by the institution and approved by the Commissioner of Education provided that the total of such cancellations in any year does not exceed an amount equal to 10 percent of the annual combined Federal and institutional capital contribution to its National Defense Education Act student loan fund;"

In order to encourage academic achievement among college students, the Advisory Group favors allowing participating institutions to cancel a portion of some undergraduate student loans in recognition of academic excellence.

**Recommendation (10B):**

"That the provision for cancellation of up to 50 percent of a loan for public school teaching be eliminated with respect to all students whose first loan from a National Defense Education Act loan fund is received for an academic year beginning after June 30, 1962."

It is true that the Nation needs more teachers, but it also needs more doctors, nurses, social workers, engineers, and other trained persons. Forgiving the loans of all students who enter shortage or public-service occupations seems neither feasible, nor desirable and singling out public school teachers from other needed occupations is difficult to defend logically and may have the harmful effect of reducing the incentive for communities to raise teachers' salaries. Hence, the Advisory Group favors a phasing

out of the teacher forgiveness provision of the National Defense Education Act loan program.

**D. Special loan provisions for professional and graduate students****Recommendation (11):**

"That the provisions of the national defense student loan program be revised so that all eligible students beyond the bachelor's degree level may borrow up to \$2,000 in any one academic year to a total of \$8,000, in addition to any borrowing they may have done as undergraduates;

"That loans to students beyond the bachelor's level be made repayable in equal annual installments over a 15-year period beginning 3 years after the borrower ceases to be a student."

In view of the urgent national need for doctors, dentists, engineers, and many other highly trained professional persons and of the high cost to the student of advanced professional training, the Advisory Group favors increasing the amounts which can be borrowed under the national defense student loan program by students beyond the bachelor's degree level and also lengthening the repayment period for such students. (At present, no student may borrow more than \$1,000 in 1 academic year, or more than \$5,000 in total, and all loans are repayable over 10 years beginning 1 year after the borrower ceases to be a student.) Graduate students and professional students beyond the bachelor's level need more money than undergraduates, since their tuition is usually higher and since they are older and more likely to have dependents. Many professional students, especially medical students, have excellent future income prospects and will be able to repay substantial loans without undue hardship if the funds are made available to them and if they are able to spread the payments over a sufficiently long period.

**V. BASIC RESEARCH TO IMPROVE LEARNING AND TEACHING****Recommendation (12):**

"That the Committee on Education and Labor give special attention to ways of fostering high-quality basic research on the learning process with a view to improving the effectiveness of teaching and learning at all levels and that hearings be held on this subject at an early date."

The group found widespread agreement among the panelists that there is an urgent need for basic research in the learning process as distinguished from applied research in education. The resources going into basic research in education are insignificant compared to the resources going into research designed to improve health or physical standards of living. At least until very recently, basic research in the learning process has apparently not attracted the attention of the most able behavioral scientists.

The group is convinced that a major effort should be made to channel more resources into high-quality basic research in education. The Advisory Group hopes the committee will give special attention to this proposal early in the session.

The Advisory Group on Higher Education wishes to give special thanks to the persons from the university and scientific community who participated in our panel discussions. We wish also to thank the representatives of professional associations and Federal agencies whom we consulted during the course of our work. We also received valuable comments in response to a series of letters of inquiry sent out by the members of the Advisory Group to educators and scientists in their own regions.

The Advisory Group wishes to acknowledge the able staff work of its technical director, Mr. Wray Smith, and its administrative assistant, Mrs. Mary D. Pinkard; the helpful assistance of Mr. Melvin W. Sneed, of the staff of the Committee on Education and

Labor, Mr. John R. Walsh, administrative assistant to Representative Brademas, and Mrs. Vivian Gordon, of the Legislative Reference Service of the Library of Congress; and the valuable advice of its expert consultants, Dr. Alice M. Rivlin and Mr. Nicholas DeWitt. Respectfully submitted.

JOHN BRADEMAS, *Chairman*.  
ROBERT N. CHAIMO.  
JAMES G. O'HARA.  
ALBERT H. QUITE.  
CHARLES E. GOODELL.

**PANEL MEMBERS FOR THE ADVISORY GROUP ON HIGHER EDUCATION, DECEMBER 1961-JANUARY 1962.**

H. Russell Beatty, president, Wentworth Institute, Boston.

Hilton C. Buley, president, Southern Connecticut State College, New Haven.

C. R. Carpenter, director, Division of Academic Research and Services, Pennsylvania State University.

John H. Fischer, president-elect, Teachers College, Columbia University.

Ralph W. Gerard, director of laboratories, Mental Health Research Institute, University of Michigan.

H. Bentley Glass, professor of biology, Johns Hopkins University.

Thomas S. Hall, former dean, College of Liberal Arts, Washington University, St. Louis.

Frederick L. Hovde, president, Purdue University.

J. R. Killian, Jr., chairman of the corporation, Massachusetts Institute of Technology.

George G. Mallinson, dean of the Graduate School, Western Michigan University.

Neal E. Miller, Angell professor of psychology, Yale University.

Paul C. Rosenbloom, professor of mathematics, University of Minnesota.

Paul A. Samuelson, professor of economics, Massachusetts Institute of Technology.

Theodore W. Schultz, professor of economics, University of Chicago.

E. A. Trabandt, dean of the School of Engineering, University of Buffalo.

Byron K. Trippett, president of Wabash College.

M. H. Trytten, director, Office of Scientific Personnel, National Academy of Sciences, Washington, D.C.

Randall M. Whaley, vice president, Wayne State University, Detroit.

Benjamin C. Willis, general superintendent of schools, Chicago.

**LEAVE OF ABSENCE**

By unanimous consent, leave of absence was granted to Mr. FLYNN, for the balance of the day and tomorrow, January 24, 1962, on account of official business.

**SPECIAL ORDER GRANTED**

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. FARBERSTEIN (at the request of Mr. LIBONATI), for 15 minutes tomorrow.

**EXTENSION OF REMARKS**

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOLLAND and include a speech by Mr. Carey, president of the IUWU, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$202.50.

Mr. ROOSEVELT and include extraneous matter.

Mr. DULSKI and to include extraneous matter.

Mr. O'NEILL and include extraneous matter.

Mr. PHILBIN and include extraneous matter.

(The following Members (at the request of Mr. CAHILL) and to include extraneous matter:)

Mr. DAGUE.

Mr. VAN ZANDT in two instances.

(The following Members (at the request of Mr. LIBONATI) and to include extraneous matter:)

Mr. CELLER.

Mr. DANIELS.

### ADJOURNMENT

Mr. LIBONATI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 54 minutes p.m.), the House adjourned until tomorrow, Wednesday, January 24, 1962, at 12 o'clock noon.

### REPORT OF EXPENDITURES OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS INCURRED IN TRAVEL OUTSIDE THE UNITED STATES

Mr. BURLESON. Mr. Speaker, section 502(b) of the Mutual Security Act of 1954, as amended by section 401(a) of Public Law 86-472, approved May 14, 1960, and section 105 of Public Law 86-628, approved July 12, 1960, require the reporting of expenses incurred in connection with travel outside the United States, including both foreign currencies expended and dollar expenditures made from appropriated funds by

Members, employees, and committees of the Congress.

The law requires the chairman of each committee to prepare a consolidated report of foreign currency and dollar expenditures from appropriated funds within the first 60 days that Congress is in session in each calendar year covering expenditures for the previous calendar year. The consolidated report is to be forwarded to the Committee on House Administration which, in turn, shall print such report in the CONGRESSIONAL RECORD within 10 days after receipt. Accordingly, there is submitted herewith, within the prescribed time limit, the consolidated report of the House Committee on Banking and Currency.

There is also submitted a report transmitted to the Committee on House Administration by the House Committee on Post Office and Civil Service under date of January 19, 1962:

*Report of expenditure of foreign currencies and appropriated funds by Committee on Banking and Currency, U.S. House of Representatives*

[Expend between Jan. 1 and Dec. 31, 1961]

| Name and country     | Name of currency   | Lodging          |   | Meals            |   | Transportation   |   | Miscellaneous    |   | Total            |   |
|----------------------|--------------------|------------------|---|------------------|---|------------------|---|------------------|---|------------------|---|
|                      |                    | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency |
| Edward J. Derwinski: |                    |                  |   |                  |   |                  |   |                  |   |                  |   |
| Holland.....         | Gulder.....        | 94               | 26.79                                   | 106              | 30.21                                   | 101              | 28.79                                   | 31               | 8.84                                    | 332              | 94.63                                   |
| Germany.....         | Deutsche mark..... | 114              | 29.07                                   | 48               | 12.24                                   | 44               | 13.22                                   | 16               | 4.08                                    | 222              | 58.61                                   |
| France.....          | Franc.....         | 194              | 28.80                                   | 148              | 29.60                                   | 40               | 8.00                                    | 18               | 3.60                                    | 400              | 70.00                                   |
| Poland.....          | Zloty.....         | 1,182            | 21.50                                   | 1,240            | 22.60                                   | 5,319            | 60.30                                   | 559              | 10.16                                   | 8,300            | 114.55                                  |
| England.....         | Pound.....         | 6 1/2            | 18.33                                   | 1 1/4            | 3.50                                    | 5 1/2            | 15.51                                   | 3 1/4            | 9.17                                    | 16 1/2           | 46.51                                   |
| Gordon L. McDonough: |                    |                  |   |                  |   |                  |   |                  |   |                  |   |
| England.....         | do.....            | 35-1-6           | 98.21                                   | 8-3-0            | 22.82                                   | 3-6-0            | 9.24                                    | 4-10-0           | 12.80                                   | 51-0-6           | 143.07                                  |
| France.....          | Franc.....         | 955.10           | 194.93                                  | 141.9            | 28.77                                   | 58-95            | 12.40                                   | 68.4             | 13.92                                   | 1,224.35         | 250.02                                  |
| Albert Rains:        |                    |                  |   |                  |   |                  |   |                  |   |                  |   |
| Brazil.....          | Cruzeiro.....      | 22,635.20        | 80.84                                   | 15,812.60        | 56.47                                   |                  |   | 6,552.20         | 23.40                                   | 45,000.00        | 160.71                                  |
| Argentina.....       | Peso.....          | 3,508.50         | 42.53                                   | 2,600.63         | 32.26                                   | 1,100.00         | 13.33                                   | 3,133.67         | 37.98                                   | 10,402.80        | 126.10                                  |
| Peru.....            | Sol.....           | 950.40           | 35.45                                   | 377.60           | 14.08                                   |                  |   | 325.00           | 12.13                                   | 1,653.00         | 61.66                                   |
| Germany.....         | Deutsche mark..... |                  |   |                  |   | 2,909.20         | 727.30                                  |                  |   | 2,909.20         | 727.30                                  |
| Clarence E. Kilburn: |                    |                  |   |                  |   |                  |   |                  |   |                  |   |
| Brazil.....          | Cruzeiro.....      | 22,636.00        | 80.84                                   | 14,776.00        | 52.77                                   | 1,568.00         | 5.60                                    | 6,020.00         | 21.50                                   | 45,000.00        | 160.71                                  |
| Argentina.....       | Peso.....          | 3,238.00         | 39.25                                   | 2,887.50         | 35.00                                   | 1,100.00         | 13.33                                   | 1,608.75         | 19.50                                   | 8,834.25         | 107.08                                  |
| Peru.....            | Sol.....           | 1,043.80         | 38.93                                   | 390.75           | 14.57                                   | 958.45           | 35.75                                   | 164.00           | 6.12                                    | 2,557.00         | 95.37                                   |
| Germany.....         | Deutsche mark..... |                  |   |                  |   | 2,909.20         | 727.30                                  |                  |   | 2,909.20         | 727.30                                  |
| Austria.....         | Schillings.....    | 3,501.50         | 134.67                                  | 7,318.50         | 300.72                                  |                  |   | 780              | 30.00                                   | 12,100.00        | 465.39                                  |
| Robert R. Poston:    |                    |                  |   |                  |   |                  |   |                  |   |                  |   |
| Brazil.....          | Cruzeiro.....      | 9,882.50         | 35.29                                   | 2,827.50         | 10.46                                   | 4,050.00         | 15.00                                   | 3,240.00         | 12.00                                   | 20,000.00        | 72.75                                   |
| Argentina.....       | Peso.....          | 3,474.08         | 42.11                                   | 2,555.52         | 30.37                                   | 1,704.45         | 20.66                                   | 1,773.90         | 21.52                                   | 9,457.95         | 114.66                                  |
| Peru.....            | Sol.....           | 631.50           | 23.55                                   | 355.05           | 13.27                                   | 2,278.85         | 85.00                                   | 524.00           | 19.54                                   | 3,790.00         | 141.36                                  |
| Germany.....         | Deutsche mark..... |                  |   |                  |   | 3,444.00         | 861.00                                  |                  |   | 3,444.00         | 861.00                                  |
| Total.....           |                    |                  | 971.09                                  |                  | 709.71                                  |                  | 2,651.73                                |                  | 266.26                                  |                  | 4,598.79                                |

BRENT SPENCE,  
Chairman, Committee on Banking and Currency.

Jan. 16, 1962.

*Report of expenditure of foreign currencies and appropriated funds by Committee on Post Office and Civil Service, U.S. House of Representatives*

[Expend between Jan. 1 and Dec. 31, 1960]

| Name and country    | Name of currency | Lodging          |   | Meals            |   | Transportation   |   | Miscellaneous    |   | Total            |   |
|---------------------|------------------|------------------|---|------------------|---|------------------|---|------------------|---|------------------|---|
|                     |                  | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency | Foreign currency | U.S. dollar equivalent or U.S. currency |
| August E. Johansen: |                  |                  |   |                  |   |                  |   |                  |   |                  |   |
| Holland.....        | Guilders.....    |                  |   |                  |   | 4,121.74         | 1,082.30                                |                  |   | 4,121.74         | 1,082.30                                |
| France.....         | New francs.....  | 181.65           | 37.00                                   | 245              | 50.00                                   | 74.50            | 15.00                                   | 98               | 20.00                                   | 599.15           | 122.00                                  |
| Austria.....        | Schillings.....  | 1,560            | 60.00                                   | 1,040            | 40.00                                   | 260              | 10.00                                   | 300              | 15.00                                   | 3,250            | 125.00                                  |
| Total.....          |                  |                  | 97.00                                   |                  | 90.00                                   |                  | 1,107.30                                |                  | 35.00                                   |                  | 1,329.30                                |

TOM MURRAY,  
Chairman, Committee on Post Office and Civil Service.

Jan. 19, 1962.



## COMMITTEE EMPLOYEES

JANUARY 11, 1961.

## COMMITTEE ON AGRICULTURE

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee                                  | Profession       | Total gross salary during 6-month period |
|---|------------------|--|
| John J. Heimbarger                                | Counsel          | \$8,772.00                               |
| Francis M. LeMay                                  | Staff consultant | 8,051.46                                 |
| Christine S. Gallagher                            | Clerk            | 8,051.46                                 |
| Hyde H. Murray                                    | Assistant clerk  | 7,172.76                                 |
| Lydia Vucin                                       | Staff assistant  | 4,727.28                                 |
| Betty M. Prezioso                                 | do               | 4,727.28                                 |
| Pauline E. Graves                                 | do               | 5,854.62                                 |
| Gladys N. Ondarcho                                | do               | 3,998.22                                 |
| Peggy Jean Lamm                                   | do               | 4,403.28                                 |
| Jane C. Wojcik                                    | do               | 3,593.16                                 |
| Subcommittee on Equipment, Supplies and Manpower: |                  |  |
| Martha S. Hannah                                  | do               | 3,896.94                                 |
| Haywood W. Taylor                                 | do               | 3,306.22                                 |

Funds authorized or appropriated for committee expenditures.....\$50,000.00

Amount of expenditures previously reported.....15,579.02  
Amount expended from July 1 to Dec. 31, 1961.....17,482.15

Total amount expended from Jan. 1 to Dec. 31, 1961.....33,061.17

Balance unexpended as of Dec. 31, 1961.....16,938.83

HAROLD D. COOLEY,  
Chairman.

JANUARY 15, 1962.

## COMMITTEE ON APPROPRIATIONS

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee   | Profession               | Total gross salary during 6-month period |
|--------------------|--------------------------|--|
| Kenneth Sprankle   | Clerk and staff director | \$8,824.74                               |
| Paul M. Wilson     | do                       | 8,824.74                                 |
| Carson W. Culp     | Staff assistant          | 8,754.48                                 |
| Samuel W. Crosby   | do                       | 8,754.48                                 |
| Jay B. Howe        | do                       | 8,578.68                                 |
| Ross P. Pope       | do                       | 8,578.68                                 |
| Robert M. Moyer    | do                       | 8,578.68                                 |
| Frank Sanders      | do                       | 8,051.46                                 |
| Eugene B. Wilhelm  | do                       | 8,051.46                                 |
| Robert P. Williams | Editor                   | 7,260.60                                 |
| Robert L. Michaels | Staff assistant          | 7,172.73                                 |
| Aubrey A. Gunnels  | do                       | 6,909.12                                 |
| G. Homer Skarin    | do                       | 6,337.95                                 |
| Earl C. Filsby     | do                       | 5,634.96                                 |
| Francis G. Merrill | do                       | 5,634.96                                 |
| Lawrence C. Miller | Assistant editor         | 4,605.78                                 |
| Samuel R. Preston  | Staff assistant          | 4,403.28                                 |
| George A. Urian    | Clerical assistant       | 3,188.10                                 |
| James E. Moore     | do                       | 2,884.32                                 |
| Stephen B. Miller  | do                       | 2,479.26                                 |
| Randolph Thomas    | Messenger                | 2,226.12                                 |

| Name of employee      | Profession                                | Total gross salary during 6-month period |
|-----------------------|---|--|
| George S. Green       | Clerk to the minority, Clerk-stenographer | \$8,051.46                               |
| Nancie Hammack        | do  | 3,086.82                                 |
| George P. Cossar, Jr. | do  | 3,086.82                                 |
| Viola W. Grubbs       | do  | 3,086.82                                 |
| Jeanne C. Smith       | do  | 3,086.82                                 |
| Rosalind E. McGovern  | do  | 3,086.82                                 |
| Suzanne S. Thomas     | do  | 3,086.82                                 |
| Patrick M. Hayes      | do  | 3,086.82                                 |
| Donald L. Bernard     | do  | 3,086.82                                 |
| Florence Pignone      | do  | 2,681.76                                 |
| Geraldine Watkins     | do  | 3,086.82                                 |
| William J. Neary      | do  | 3,086.82                                 |
| J. Suzanne Hubbard    | do  | 1,517.80                                 |
| Mary F. Wilson        | do  | 2,884.32                                 |
| Silas Taber           | do  | 3,086.82                                 |
| Robert Dunkel         | do  | 3,086.82                                 |
| Josephine Birdsall    | do  | 3,086.82                                 |
| David R. Hansen       | do  | 3,086.82                                 |
| Dorothy E. Sweeney    | do  | 3,086.82                                 |
| Ruth Mahder           | do  | 3,086.82                                 |
| Gayle C. Raver        | do  | 2,985.56                                 |
| John H. Murphy        | do  | 2,884.32                                 |
| William B. Gunger     | do  | 1,475.40                                 |
| Mary A. O'Connor      | do  | 1,017.88                                 |
| Elmer F. Bryson       | do  | 96.42                                    |
| Dorothy D. Borth      | do  | 1,166.13                                 |
| Catherine L. Kennett  | do  | 1,290.27                                 |
| Elmer L. Malaney      | do  | 514.47                                   |

Amount of expenditures previously reported.....  
Amount expended from July 1 to Dec. 31, 1961.....\$211,689.49

Total amount expended from July 1 to Dec. 31, 1961.....211,689.49

CLARENCE CANNON,  
Chairman.

JANUARY 15, 1962.

COMMITTEE ON APPROPRIATIONS  
(Investigations staff)

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee     | Profession   | Total gross salary during 6-month period |
|----------------------|--|--|
| Kenneth T. Delavigne | Director, surveys and investigations staff           | \$7,203.48                               |
| William B. Soyars    | Assistant director, surveys and investigations staff | 7,203.48                                 |
| Leonard M. Walters   | do   | 6,944.28                                 |
| Lillian M. Mackie    | Stenographer   | 3,365.34                                 |
| Helen C. Parrish     | do   | 3,365.34                                 |

## REIMBURSEMENT TO GOVERNMENT AGENCIES

| Name of employee                            | Profession   | Total gross salary during 6-month period |
|---|--------------|--|
| Agriculture, Department of: Baldauf, T. M.  | Investigator | \$4,362.80                               |
| Atomic Energy Commission: Taylor, George C. | do           | 4,522.64                                 |
| Bureau of the Budget: Miller, C. J.         | do           | 2,328.49                                 |
| Commerce, Department of: Jarvis, Leon H.    | do           | 3,207.95                                 |
| Keister, Ralph H.                           | do           | 1,606.28                                 |
| McPherson, J. L.                            | do           | 5,338.11                                 |
| Shafer, W. S.                               | do           | 1,236.00                                 |
| Tiedeman, Hollie J.                         | do           | 3,208.86                                 |
| Corps of Engineers: Klein, Arthur A.        | do           | 3,350.37                                 |

## REIMBURSEMENT TO GOVERNMENT AGENCIES—continued

| Name of employee  | Profession   | Total gross salary during 6-month period |
|---|--------------|--|
| Federal Bureau of Investigation: Bennett, Carl L.             | Investigator | \$993.60                                 |
| Brent, Aubrey S.  | do           | 5,481.68                                 |
| Bruninga, H. J.   | do           | 2,289.28                                 |
| Chisholm, Leslie B.   | do           | 5,092.48                                 |
| Cogan, J. P.  | do           | 2,931.12                                 |
| Debusch, H. L.  | do           | 2,238.32                                 |
| Feuer, Robert W.  | do           | 4,293.92                                 |
| Foley, R. W.  | do           | 3,676.32                                 |
| Franklin, R. M.   | do           | 2,695.12                                 |
| Halstead, Rowland C.  | do           | 4,579.68                                 |
| Harman, R. V., Jr.  | do           | 2,448.88                                 |
| Hayden, Albert C., Jr.  | do           | 50.72                                    |
| Hayes, Edward J.  | do           | 5,641.84                                 |
| Health benefits fund: Herrington, R. B.                       | Investigator | 537.77                                   |
| Law, W. C.  | do           | 3,676.32                                 |
| Lewis, P. H.  | do           | 3,380.32                                 |
| Life insurance fund: Lipscomb, Woodrow P.                     | Investigator | 2,185.92                                 |
| McDowell, L. L.   | do           | 263.16                                   |
| McEliece, Richard F.  | do           | 4,669.92                                 |
| Mares, Bernard M.   | do           | 2,336.32                                 |
| Martinson, Walter G.  | do           | 4,979.12                                 |
| Murphy, Peter J., Jr.   | do           | 3,744.16                                 |
| Neale, Alexander W., Jr.                                      | do           | 5,415.12                                 |
| Retirement fund: Roberts, A. J., Jr.                          | Investigator | 228.40                                   |
| Wood, H. Branch   | do           | 4,736.48                                 |
| Federal Communications Commission: Thelmann, E. C.            | do           | 5,130.34                                 |
| Federal Trade Commission: Wagner, Winfield F.                 | do           | 2,434.32                                 |
| Health, Education, and Welfare, Department of: Bing, Peter S. | do           | 5,415.12                                 |
| Garrison, L. A.   | do           | 1,246.26                                 |
| Library of Congress: Rose, John K.                            | do           | 1,136.08                                 |
| Navy, Department of the: Goode, S. O., Jr.                    | do           | 991.24                                   |
| Post Office Department: Kopp, Robert                          | do           | 4,159.98                                 |
| Public Housing Administration: Altman, C. B.                  | do           | 3,122.76                                 |
| Travel and miscellaneous expense:                             | do           | 4,779.70                                 |
|   | do           | 2,278.17                                 |
|   | do           | 3,742.40                                 |
|   | do           | 45,554.57                                |

Funds authorized or appropriated for committee expenditures.....\$550,000.00

Amount of expenditures previously reported.....  
Amount expended from July 1 to Dec. 31, 1961.....215,800.33

Total amount expended from July 1 to Dec. 31, 1961.....215,800.33

Balance unexpended as of Dec. 31, 1961.....334,199.67

CLARENCE CANNON,  
Chairman.

JANUARY 2, 1962.

## COMMITTEE ON ARMED SERVICES

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it.

| Name of employee   | Profession               | Total gross salary during 6-month period |
|--|--------------------------|--|
| Robert W. Smart.....   | Chief counsel.....       | \$8,824.74                               |
| John R. Blandford.....   | Counsel.....             | 8,798.40                                 |
| Philip W. Kelleher.....  | do.....                  | 8,798.40                                 |
| Frank M. Slatinshek.....   | do.....                  | 8,227.20                                 |
| Oneta L. Stockstill.....   | Committee secretary..... | 4,676.70                                 |
| Berniece Kalinowski.....   | Secretary.....           | 4,676.70                                 |
| L. Louise Ellis.....   | do.....                  | 4,676.70                                 |
| M. Jane Binger.....  | do.....                  | 3,547.56                                 |
| Edna E. Johnson.....   | do.....                  | 4,003.28                                 |
| James A. Deakins.....  | Bill clerk.....          | 3,547.56                                 |
| Office of Special Counsel operating pursuant to H. Res. 78 and 79, 87th Cong.: |                          |  |
| John J. Courtney.....  | Special counsel.....     | 8,824.74                                 |
| William H. Sandweg.....  | Assistant counsel.....   | 6,975.00                                 |
| Dorothy Britton.....   | Secretary.....           | 4,403.28                                 |
| Jane Wheelahan.....  | do.....                  | 3,456.42                                 |
| Adeline Tolerton.....  | Clerk.....               | 3,248.82                                 |
| James Josey.....   | Messenger.....           | 755.45                                   |

Funds authorized or appropriated for committee expenditures..... \$150,000.00

Amount of expenditures previously reported..... 27,722.70

Amount expended from July 1, 1961, to Jan. 1, 1962..... 33,129.49

Total amount expended from Jan. 1, 1961, to Jan. 1, 1962..... 60,852.19

Balance unexpended as of Jan. 1, 1962..... 89,147.81

CARL VINSON,  
Chairman.

JANUARY 15, 1962.

#### COMMITTEE ON BANKING AND CURRENCY

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee         | Profession                     | Total gross salary during 6-month period |
|--------------------------|--------------------------------|--|
| Robert L. Cardon.....    | Clerk and general counsel..... | \$8,824.74                               |
| John E. Barriere.....    | Majority staff member.....     | 8,824.74                                 |
| Orman S. Fink.....       | Minority staff member.....     | 8,824.74                                 |
| Robert R. Poston.....    | Counsel.....                   | 8,824.74                                 |
| Helen L. Rogers.....     | Deputy clerk.....              | 5,204.16                                 |
| Mary W. Layton.....      | Assistant clerk.....           | 5,204.16                                 |
| Marguerite Bean.....     | Secretary to chairman.....     | 6,030.96                                 |
| Alicia F. Shoemaker..... | Secretary to minority.....     | 4,838.70                                 |
| Roger J. Brown.....      | Editor.....                    | 6,004.02                                 |

#### EMPLOYEES PURSUANT TO H. RES. 143 SUBCOMMITTEE ON HOUSING

|                          |  |            |
|--------------------------|--|------------|
| Kenneth W. Burrows.....  | Housing economist.....                   | \$8,249.16 |
| John L. Fitzgerald.....  | Attorney (Mar. 15 to Aug. 31, 1961)..... | 1,604.76   |
| Eleanor N. Hamilton..... | Research assistant.....                  | 3,547.56   |
| John J. McEwan, Jr.....  | Deputy staff director.....               | 8,824.74   |
| Grady Perry, Jr.....     | Clerk.....                               | 5,854.62   |
| Margaret E. Tucker.....  | Secretary.....                           | 4,307.04   |
| Frances M. Yeakle.....   | do.....                                  | 3,491.88   |

Funds authorized or appropriated for committee expenditures..... \$105,000.00

Amount of expenditures previously reported..... \$38,858.10  
Amount expended from July 1 to Dec. 31..... 40,964.00  
Total amount expended from Jan. 1 to Dec. 31..... 79,822.10  
Balance unexpended as of Dec. 31, 1961..... 25,177.90

BRENT SPENCE,  
Chairman.

JANUARY 8, 1962.

#### COMMITTEE ON THE DISTRICT OF COLUMBIA

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee          | Profession           | Total gross salary during 6-month period |
|---------------------------|----------------------|--|
| W. N. McLeod, Jr.....     | Clerk.....           | \$8,754.48                               |
| Hayden S. Garber.....     | Attorney.....        | 8,056.46                                 |
| Donald J. Turbidity.....  | Minority clerk.....  | 5,713.92                                 |
| Leonard O. Hilder.....    | Investigator.....    | 5,942.52                                 |
| Clayton D. Gasque.....    | Assistant clerk..... | 5,397.48                                 |
| Ruth Butterworth.....     | do.....              | 4,767.78                                 |
| Ann L. Puryear.....       | do.....              | 4,099.50                                 |
| Ellen M. Coxiter.....     | do.....              | 3,593.16                                 |
| Lillian B. Hamilton.....  | do.....              | 3,390.60                                 |
| Patricia Ann Dempsey..... | Stenographer.....    | 2,580.54                                 |

Funds authorized or appropriated for committee expenditures..... \$10,000.00  
Total amount expended from July 1 to Jan. 1, 1962..... 206.33

Balance unexpended as of December 31, 1961..... 9,793.67

JOHN L. McMILLAN,  
Chairman.

JANUARY 15, 1961.

#### COMMITTEE ON EDUCATION AND LABOR STANDING COMMITTEE

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee             | Profession                                    | Total gross salary during 6-month period |
|------------------------------|---|--|
| Louise Maxienne Dargans..... | Chief clerk.....                              | \$8,824.74                               |
| Russell C. Derrickson.....   | Staff director.....                           | 8,824.74                                 |
| Wray Smith.....              | Education chief.....                          | 8,824.74                                 |
| Howard G. Gamser.....        | Chief counsel for labor-management.....       | 8,824.74                                 |
| Livingston L. Wingate.....   | Associate counsel for labor-management.....   | 7,502.28                                 |
| Teresa Calabrese.....        | Administrative assistant to the chairman..... | 5,000.70                                 |
| Richard T. Burrese.....      | Minority clerk.....                           | 8,807.16                                 |
| Melvin W. Sneed.....         | Administrative assistant.....                 | 8,504.04                                 |
| Louise M. Wright.....        | do.....                                       | 4,251.36                                 |
| Cabell Waller Berge.....     | do.....                                       | 3,833.66                                 |

Amount of expenditures previously reported..... \$72,142.27

Amount expended from July 1 to Dec. 31, 1961..... \$73,198.16

Total amount expended from Jan. 1 to Dec. 31, 1961..... 145,340.43

ADAM C. POWELL,  
Chairman.

JANUARY 15, 1962.

#### COMMITTEE ON EDUCATION AND LABOR (Investigating staff)

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee   | Profession  | Total gross salary during 6-month period |
|--|---|--|
| General Subcommittee on Education (Representative Cleveland M. Bailey, chairman):  |   |  |
| Salig L. Bendit.....   | Assistant subcommittee clerk (July 19-Dec. 31, 1961)..... | \$1,802.41                               |
| Ruth P. Ebersole.....  | Assistant subcommittee clerk.....                         | 3,000.78                                 |
| Robert E. McCord.....  | Subcommittee clerk.....                                   | 7,502.28                                 |
| General Subcommittee on Labor (Representative Carl D. Perkins, chairman):  |   |  |
| Gertrude L. Moser.....   | Secretary (from Sept. 18, 1961).....                      | 1,717.11                                 |
| Hartwell Duvall Reed, Jr.....  | Counsel.....  | 7,502.28                                 |
| Peggy Lia Amburgey.....  | Secretary (June 13-Aug. 31, 1961).....                    | 834.86                                   |
| Special Subcommittee on Education (Representative Edith Green, chairman):  |   |  |
| Betty R. Pryor.....  | Subcommittee clerk.....                                   | 5,252.46                                 |
| Nicholas Zumas.....  | Counsel (Mar. 1-Oct. 24, 1961).....                       | 3,326.56                                 |
| Special Subcommittee on Labor (Representative James Roosevelt, chairman):  |   |  |
| Carolyn A. Latimer.....  | Secretary (Aug. 1-Dec. 7, 1961).....                      | 2,334.68                                 |
| Don Lowe.....  | Director (from Sept. 1, 1961).....                        | 5,001.52                                 |
| Doris G. Smith.....  | Secretary (Apr. 1-Aug. 7, 1961).....                      | 719.86                                   |
| W. Wilson Young.....   | Counsel (Jan. 3-Oct. 31, 1961).....                       | 3,751.14                                 |
| Select Subcommittee on Labor (Representative Herbert Zelenko, chairman):   |   |  |
| Harvey B. Cohen.....   | Counsel.....  | 5,000.70                                 |
| Mollie D. Cohen.....   | Administrative assistant.....                             | 4,959.35                                 |
| Select Subcommittee on Education (Representative Frank Thompson, chairman):  |   |  |
| Mary E. Corbin.....  | Secretary.....  | 3,502.02                                 |
| William P. Gerberding.....   | Counsel (Mar. 1-Aug. 31, 1961).....                       | 2,250.32                                 |
| John D. Hawke, Jr.....   | Counsel (from Sept. 1, 1961).....                         | 3,333.80                                 |
| Ad Hoc Subcommittee on the Impact of Imports and Exports on American Employment (Representative John H. Dent, chairman): |   |  |
| Barbara Dash.....  | Clerk (Mar. 2-Dec. 31, 1961).....                         | 3,000.78                                 |
| James L. Gallagher.....  | Counsel (from July 17, 1961).....                         | 5,470.33                                 |
| Stanley D. Metzger.....  | Counsel (May 1-July 10, 1961).....                        | 416.79                                   |
| Mary Orndoff.....  | Clerk (from Nov. 27, 1961).....                           | 378.28                                   |



| Name of employee   | Profession  | Total gross salary during 6-month period |
|--|---|--|
| Ad Hoc Subcommittee on the National Labor Relations Board (Representative Roman Pucinski, chairman): James McConnell Harkless. | Counsel (Mar. 1-July 18, 1961).                   | \$750.23                                 |
| Full committee staff: Donald F. Berens.  | Administrative assistant.                         | 4,251.36                                 |
| Patricia Bergman.  | Secretary.  | 2,251.44                                 |
| Adrienne Fields.   | Receptionist.                                     | 2,251.44                                 |
| Corrine Annette Huff.  | do.   | 1,500.80                                 |
| Mary D. Pinkard.   | Administrative assistant.                         | 3,750.12                                 |
| Jeanne Thomson.  | do.   | 4,302.00                                 |
| Charles E. Wilson.   | Assistant education chief (Feb. 1-Aug. 31, 1961). | 1,334.42                                 |
| Investigative task force: Leon Abramson.   | Assistant counsel (from July 15, 1961).           | 6,918.77                                 |
| Ida P. Bailey.   | Secretary (from Dec. 1, 1961).                    | 325.34                                   |
| James E. Branigan.   | Counsel.  | 8,750.04                                 |
| Odell Clark.   | Assistant chief investigator.                     | 6,250.08                                 |
| Marvin R. Fullmer.   | Chief investigator.                               | 7,502.28                                 |
| Olive M. Gibbons.  | Secretary.  | 2,392.48                                 |
| Johnnie L. Graves.   | Secretary (from June 26-Aug. 25, 1961).           | 801.10                                   |
| Ann I. Jordan.   | Secretary (from Apr. 1-Sept. 30, 1961).           | 1,500.39                                 |
| Waldo E. Parrish.  | Administrative assistant.                         | 3,000.78                                 |
| Jose Lumen Roman.  | Investigator (from Mar. 1-July 31, 1961).         | 833.45                                   |
| Minority staff: Beverly Pearson.   | Minority secretary.                               | 3,289.38                                 |
| Travel and miscellaneous expense.  |   | 35,500.74                                |
| Funds authorized or appropriated for committee expenditures.   |   | \$633,000.00                             |
| Amount of expenditures previously reported.  |   | 122,306.06                               |
| Amount expended from July 1 to Dec. 31, 1961.  |   | 168,514.95                               |
| Total amount expended from Jan. 1 to Dec. 31, 1961.  |   | 290,821.01                               |
| Balance unexpended as of Dec. 31, 1961.  |   | 342,178.99                               |
| ADAM C. POWELL,<br>Chairman.   |   |  |

JANUARY 10, 1962.

## COMMITTEE ON FOREIGN AFFAIRS

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee       | Profession               | Total gross salary during 6-month period |
|------------------------|--------------------------|--|
| Boyd, Crawford.        | Staff administrator.     | \$8,824.74                               |
| Roy J. Bullock.        | Senior staff consultant. | 8,723.70                                 |
| Albert C. F. Westphal. | Staff consultant.        | 8,723.70                                 |
| Franklin J. Schupp.    | do.                      | 8,644.62                                 |
| Robert F. Brandt.      | Investigator-consultant. | 3,968.55                                 |
| Harry C. Cromer.       | do.                      | 8,306.28                                 |
| Philip B. Billings.    | Special assistant.       | 6,294.00                                 |

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| Name of employee   | Profession              | Total gross salary during 6-month period |
|--|-------------------------|--|
| June Nigh.   | Senior staff assistant. | \$6,647.70                               |
| Winifred G. Osborne.   | Staff assistant.        | 6,184.17                                 |
| Helen C. Mattas.   | do.                     | 5,527.98                                 |
| Myrtle M. Melvin.  | do.                     | 5,397.48                                 |
| Helen L. Hashagen.   | do.                     | 5,637.03                                 |
| O'Brien, Mary Louise.  | do.                     | 5,542.59                                 |
| Ann L. Clark.  | do.                     | 4,003.26                                 |
| Mary E. Medsger.   | do.                     | 2,007.06                                 |
| Robert J. Bowen.   | Clerical assistant.     | 3,937.44                                 |
| Funds authorized or appropriated for committee expenditures. |                         | \$150,000.00                             |
| Amount of expenditures previously reported.                  |                         | 21,406.05                                |
| Amount expended from July 1 to Dec. 31, 1961.                |                         | 34,954.05                                |
| Total amount expended from Jan. 1 to Dec. 31, 1961.          |                         | 56,360.10                                |
| Balance unexpended as of Dec. 31.                            |                         | 93,639.90                                |

THOMAS E. MORGAN,  
Chairman.

JANUARY 15, 1962.

COMMITTEE ON GOVERNMENT OPERATIONS  
To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it.

|   |            |
|---|------------|
| Expenses, July 1, 1961-Jan. 1, 1962:                      |            |
| Full committee.   | \$1,686.70 |
| Executive and Legislative Reorganization Subcommittee.    | 30,515.16  |
| Military Operations Subcommittee.                         | 38,767.38  |
| Government Activities Subcommittee.                       | 20,987.31  |
| Intergovernmental Relations Subcommittee.                 | 27,227.76  |
| Foreign Operations and Monetary Affairs Subcommittee.     | 38,083.63  |
| Special Donable Property Subcommittee.                    | 16,900.85  |
| Special Government Information Subcommittee.              | 38,247.09  |
| Special Subcommittee on Assigned Power and Land Problems. | 12,867.78  |
| Special Subcommittee on the Home Loan Bank Board.         | 12,307.74  |
| Total.  | 237,591.40 |

## Salaries, full committee—July 1-Dec. 31, 1961:

|   |           |
|---|-----------|
| Christine Ray Davis, staff director.  | 8,824.74  |
| James A. Lanigan, general counsel.  | 8,824.74  |
| Miles Q. Romney, associate general counsel (July 15-Dec. 31, 1961).   | 6,545.99  |
| Earle J. Wade, staff member.  | 6,294.00  |
| J. Robert Brown, staff member (July 1-Dec. 20, 1961).   | 6,359.30  |
| Dolores Fel'Dotto, staff member.  | 4,727.28  |
| Ann E. McLachlan, staff member.   | 4,467.37  |
| Patricia Maheux, staff member.  | 4,234.47  |
| Helen M. Boyer, minority professional staff.  | 8,051.46  |
| J. P. Carlson, minority counsel.  | 7,401.18  |
| Expenses, July 1, 1961-Jan. 1, 1962: Full committee, travel, publications, telephone, stationery supplies, etc. | 1,686.50  |
| Executive and Legislative Reorganization Subcommittee, Hon. William L. Dawson, chairman:                        |           |
| Elmer W. Henderson, counsel.  | 8,134.94  |
| Arthur Perlman, investigator.   | 7,098.06  |
| Daniel A. Kavanaugh, legal research analyst.  | 3,750.12  |
| Irene Manning, clerk-stenographer.  | 3,732.40  |
| Veronica B. Johnson, clerical staff.  | 3,750.12  |
| Orville J. Montgomery, associate counsel (July 1-Aug. 13, 1961).  | 1,095.65  |
| Miles Q. Romney, counsel (July 1-15, 1961).   | 516.87    |
| Expenses.   | 1,837.00  |
| Total.  | 30,515.16 |

|  |            |
|--|------------|
| Military Operations Subcommittee, Hon. Chet Holifield, chairman: |            |
| Herbert Roback, staff administrator.                             | \$8,824.74 |
| Earl J. Morgan, investigator.                                    | 6,733.38   |
| John Paul Ridgely, investigator.                                 | 5,766.73   |
| Douglas G. Dahlin, staff attorney.                               | 4,707.06   |
| Robert J. McElroy, investigator.                                 | 4,504.50   |
| Mollie Jo Hughes, clerk-stenographer.                            | 3,988.22   |
| Catherine L. Koerberlein, clerk-stenographer.                    | 3,988.22   |
| Expenses.  | 234.48     |
| Total.   | 38,767.38  |

|   |           |
|---|-----------|
| Government Activities Subcommittee, Hon. Jack Brooks, chairman: |           |
| Edward C. Brooks, Jr., staff administrator.                     | 7,699.98  |
| L. Russell Harding II, investigator.                            | 4,570.32  |
| Daniel L. Power, investigator (Aug. 7-Dec. 31, 1961).           | 2,603.14  |
| Irma Reel, clerk.   | 3,547.56  |
| John E. Moore, investigator (July 1-31, 1961).                  | 986.03    |
| Expenses.   | 1,580.28  |
| Total.  | 20,987.31 |

|  |           |
|--|-----------|
| Intergovernmental Relations Subcommittee, Hon. L. H. Fountain, chairman: |           |
| James R. Naughton, counsel.  | 7,743.90  |
| Delphis C. Goldberg, professional staff member.                          | 7,743.90  |
| William Donald Gray, research analyst.                                   | 3,896.94  |
| Eileen M. Anderson, clerk-stenographer.                                  | 3,988.22  |
| Bebe B. Terry, clerk-stenographer.                                       | 3,593.16  |
| Expenses.  | 251.64    |
| Total.   | 27,227.76 |

|   |           |
|---|-----------|
| Foreign Operations and Monetary Affairs Subcommittee, Hon. Porter Hardy, Jr., chairman: |           |
| John T. M. Reddan, chief counsel.   | 7,800.00  |
| Walton Woods, investigator.   | 7,022.63  |
| M. Joseph Matan, counsel (Aug. 15-Dec. 31, 1961).                                       | 5,286.59  |
| R. D. Young, counsel (Oct. 1-Dec. 31, 1961).  | 3,498.48  |
| Charles Rothenberg, investigator (Aug. 21-Dec. 31, 1961).                               | 4,672.59  |
| Phyllis Seymour, clerk.   | 3,988.22  |
| Yvonne J. Kurtak, stenographer.   | 3,390.60  |
| Richard P. Bray, Jr., counsel (July 1-31, 1961).  | 1,232.07  |
| Expenses.   | 1,182.45  |
| Total.  | 38,083.63 |

|  |           |
|--|-----------|
| Special Donable Property Subcommittee, Hon. John W. McCormack, chairman: |           |
| Ray Ward, staff administrator.   | 8,345.58  |
| Margaret B. O'Connor, clerk-stenographer.                                | 3,593.16  |
| Clara Katherine Armstrong, clerical staff.                               | 3,698.34  |
| Herbert Lee Goldblatt, clerical staff (July 1-Sept. 15, 1961).           | 750.40    |
| Expenses.  | 693.37    |
| Total.   | 16,900.85 |

|   |           |
|---|-----------|
| Special Government Information Subcommittee, Hon. John E. Moss, chairman: |           |
| Samuel J. Archibald, staff administrator.                                 | 8,051.46  |
| Phineas Indritz, counsel.   | 8,051.46  |
| Harry S. Weidberg, assistant counsel.                                     | 5,648.16  |
| Jack Howard, professional staff member.                                   | 6,513.66  |
| Helen Beasley, stenographer.  | 3,988.22  |
| Catherine L. Hartke, stenographer.  | 3,988.22  |
| Expenses.   | 1,985.91  |
| Total.  | 38,247.09 |

|  |           |
|--|-----------|
| Special Subcommittee on Assigned Power and Land Problems, Hon. John E. Moss, chairman: |           |
| Sidney McClellan, professional staff member.   | 6,452.16  |
| Francis J. Schwoerer, staff member.  | 5,000.70  |
| Adrienne C. Masterson, clerical staff (July 1-Aug. 15, 1961).                          | 1,181.82  |
| Expenses.  | 233.10    |
| Total.   | 12,867.78 |

|  |           |
|--|-----------|
| Special Subcommittee on the Home Loan Bank Board, Hon. John E. Moss, chairman: |           |
| David Glick, counsel.  | 6,294.00  |
| Edith T. Carper, staff member (Aug. 1-Nov. 30, 1961).                          | 2,419.06  |
| Expenses.  | 3,594.68  |
| Total.   | 12,307.74 |

|  |            |
|--|------------|
| Funds authorized or appropriated for committee expenditures.           | 640,000.00 |
| Amount of expenditures previously reported Jan. 4, 1961-Jan. 30, 1961. | 223,282.20 |
| Amount expended from July 1, 1961, to Jan. 1, 1962.                    | 237,591.40 |
| Total amount expended from Jan. 4, 1961, to Jan. 1, 1962.              | 460,873.60 |
| Balance unexpended as of Jan. 1, 1962.                                 | 179,126.40 |

WILLIAM L. DAWSON,  
Chairman.

JANUARY 8, 1962.

## COMMITTEE ON HOUSE ADMINISTRATION

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee   | Profession           | Total gross salary during 6-month period |
|--|----------------------|--|
| Julian P. Langston.....  | Chief clerk.....     | \$8,824.74                               |
| Marjorie Savage.....   | Assistant clerk..... | 7,612.08                                 |
| Mary F. Stolle.....  | do.....              | 3,896.94                                 |
| Funds authorized or appropriated for committee expenditures..... |                      | \$30,000.00                              |
| Amount of expenditures previously reported.....                  |                      | 12,320.40                                |
| Amount expended from July 1 to Dec. 31, 1961.....                |                      | 3,839.21                                 |
| Total amount expended from Jan. 1 to Dec. 31, 1961.....          |                      | 16,159.61                                |
| Balance unexpended as of Dec. 31, 1961.....                      |                      | 13,840.39                                |

OMAR BURLESON,  
Chairman.

JANUARY 10, 1962.

## COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee          | Profession  | Total gross salary during 6-month period |
|---------------------------|---|--|
| Professional staff:       |   |  |
| Sidney L. McFarland.....  | Professional staff director and engineering consultant..... | \$8,359.02                               |
| T. Richard Witmer.....    | Counsel.....  | 8,051.46                                 |
| John L. Taylor.....       | Consultant on territorial and Indian affairs.....           | 8,051.46                                 |
| Milton A. Pearl.....      | Consultant on mining, minerals, and lands.....              | 7,875.72                                 |
| Clerical staff:           |   |  |
| Nancy J. Arnold.....      | Chief clerk.....  | 7,172.76                                 |
| Laura Ann Moran.....      | Assistant chief clerk.....                                  | 4,808.28                                 |
| Dixie S. Duncan.....      | Clerk.....  | 3,998.22                                 |
| Penelope P. Harvison..... | do.....   | 3,998.22                                 |
| Virginia E. Bedsole.....  | do.....   | 3,795.66                                 |
| Patricia B. Freeman.....  | do.....   | 3,289.38                                 |

|  |  |             |
|--|--|-------------|
| Funds authorized or appropriated for committee expenditures..... |  | \$60,000.00 |
| Amount of expenditures previously reported.....                  |  | 9,472.87    |
| Amount expended from July 1 to Dec. 31, 1961.....                |  | 14,242.16   |
| Total amount expended from Jan. 1 to Dec. 31, 1961.....          |  | 23,715.03   |
| Balance unexpended as of Dec. 31, 1961.....                      |  | 36,284.97   |

WAYNE N. ASPINALL,  
Chairman.

JANUARY 3, 1962.

## COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee  | Profession   | Total gross salary during 6-month period |
|---|--|--|
| Clerical staff:   |  |  |
| W. E. Williamson.....   | Clerk.....   | \$8,824.75                               |
| Kenneth J. Painter.....   | First assistant clerk.....                                       | 7,322.11                                 |
| Marcella Fencil.....  | Assistant clerk.....   | 4,575.40                                 |
| Glenn L. Johnson.....   | Printing editor.....   | 6,206.12                                 |
| Joanne C. Neuland.....  | Clerical assistant.....  | 3,846.30                                 |
| Mildred H. Lang.....  | do.....  | 3,846.30                                 |
| Mary Ryan.....  | do.....  | 3,846.30                                 |
| Roy P. Wilkinson.....   | Assistant clerk.....   | 3,643.78                                 |
| Professional staff:   |  |  |
| Andrew Stevenson.....   | Expert.....  | 8,824.75                                 |
| Kurt Borchardt.....   | Legal counsel.....   | 8,824.75                                 |
| Sam G. Spal.....  | Research specialist.....   | 8,824.75                                 |
| Martin W. Cunningham.....   | Aviation consultant.....   | 8,824.75                                 |
| Additional temporary employees under H. Res. 108 and H. Res. 165: |  |  |
| Gladys Johnson.....   | Clerical assistant.....  | 3,846.30                                 |
| Margaret J. Robinson.....   | Staff assistant.....   | 7,796.64                                 |
| Elsie M. Karpowich.....   | Clerical assistant.....  | 3,846.30                                 |
| Robert S. Moore, Jr.....  | Messenger (from July 1 to 31).....                               | 362.58                                   |
| James Quitman Burgess.....  | Messenger (from Aug. 1 to 31).....                               | 362.58                                   |
| Catherine C. McLees.....  | Clerical assistant.....  | 3,846.30                                 |
| Special Subcommittee on Regulatory Agencies:                      |  |  |
| Charles P. Howze, Jr.....   | Chief counsel.....   | 7,893.29                                 |
| George W. Perry.....  | Associate counsel.....   | 7,172.73                                 |
| Stuart C. Ross.....   | Consultant.....  | 8,064.64                                 |
| Rex Sparger.....  | Special assistant.....   | 5,107.49                                 |
| Robert E. L. Richardson.....                                      | Attorney (from Sept. 7).....                                     | 3,154.61                                 |
| Herman Clay Beasley.....  | Assistant clerk.....   | 7,163.99                                 |
| Lurline Wilbert.....  | Clerical assistant.....  | 4,438.69                                 |
| Elizabeth G. Paola.....   | Clerical assistant (from Oct. 1).....                            | 1,821.90                                 |
| Betty J. Lantrip.....   | Stenographer-clerk (from Aug. 3 to Sept. 2 and from Oct. 9)..... | 2,204.22                                 |

|  |  |              |
|--|--|--------------|
| Funds authorized or appropriated for committee expenditures..... |  | \$585,000.00 |
| Amount of expenditures previously reported.....                  |  | 59,653.18    |
| Amount expended from July 1 to Dec. 31, 1961.....                |  | 79,725.45    |
| Total amount expended from Jan. 1 to Dec. 31, 1961.....          |  | 139,378.63   |
| Balance unexpended as of Jan. 1, 1962.....                       |  | 445,621.37   |

OREN HARRIS,  
Chairman.

JANUARY 15, 1962.

## COMMITTEE ON THE JUDICIARY

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it.

| Name of employee         | Profession                      | Total gross salary during 6-month period |
|--------------------------|---------------------------------|--|
| Bess E. Dick.....        | Staff director.....             | \$8,824.74                               |
| William R. Foley.....    | General counsel.....            | 8,824.74                                 |
| Walter M. Besterman..... | Legislative assistant.....      | 8,824.74                                 |
| Murray Drabkin.....      | Counsel.....                    | 7,860.74                                 |
| Herbert N. Maletz.....   | Counsel (to Nov. 25, 1961)..... | 6,910.61                                 |
| William H. Crabtree..... | Associate counsel.....          | 7,612.08                                 |
| Carrie Lou Allen.....    | Clerical staff.....             | 3,998.22                                 |
| Anne J. Berger.....      | do.....                         | 5,578.88                                 |
| Jane Caldwell.....       | do.....                         | 4,099.50                                 |
| Frances F. Christy.....  | do.....                         | 5,088.51                                 |
| Garner J. Cline.....     | Assistant counsel.....          | 6,294.02                                 |
| Helen Goldsmith.....     | Clerical staff.....             | 4,909.56                                 |
| Velma Smedley.....       | do.....                         | 5,397.48                                 |

## FUNDS FOR PREPARATION OF UNITED STATES CODE DISTRICT OF COLUMBIA CODE, AND REVISION OF THE LAWS

|  |             |  |
|--|-------------|--|
| A. Preparation of new edition of United States Code (no year): |             |  |
| Unexpended balance June 30, 1961.....                          | \$40,091.19 |  |
| Legislative Appropriation Act of 1962.....                     | 100,000.00  |  |
| Total.....   | 140,091.19  |  |
| Expended July 1-Dec. 31, 1961.....                             | 19,925.01   |  |
| Balance Dec. 31, 1961.....                                     | 120,166.18  |  |
| B. Preparation of New Edition of District of Columbia Code:    |             |  |
| Unexpended balance June 30, 1961.....                          | 67,944.00   |  |
| Expended July 1-Dec. 31, 1961.....                             | 13,642.32   |  |
| Balance Dec. 31, 1961.....                                     | 54,301.68   |  |
| C. Revision of the Laws 1962:                                  |             |  |
| Legislative Appropriation Act 1962.....                        | 19,515.00   |  |
| Expended July 1-Dec. 31, 1961.....                             | 8,824.74    |  |
| Balance Dec. 31, 1961.....                                     | 10,690.26   |  |

## SALARIES PAID, JULY 1, 1961, THROUGH DEC. 31, 1961, PURSUANT TO H. RES. 56 AND H. RES. 68, 87TH CONG.

| Employee                  | Position   | Salary     |
|---------------------------|--|------------|
| Appel, Leonard.....       | Assistant counsel.....   | \$6,953.04 |
| Beland, Lorraine W.....   | Clerical staff.....  | 2,985.60   |
| Burak, Gertrude C.....    | do.....  | 4,065.78   |
| Eisenberg, Roberta E..... | do.....  | 3,896.94   |
| Finger, Alexander E.....  | Assistant counsel.....   | 6,381.90   |
| Fuchs, Herbert.....       | Assistant counsel (through Dec. 30, 1961).....                 | 5,977.30   |
| Gary, Leon, Jr.....       | Clerical staff (through Aug. 31, 1961).....                    | 1,101.52   |
| Greenwald, Andrew E.....  | do.....  | 600.32     |
| Haardt, Alma B.....       | Clerical staff.....  | 2,681.76   |
| Hyman, Joseph.....        | Counsel (as of Dec. 11, 1961).....                             | 889.24     |
| Jett, R. Frederick.....   | Assistant counsel.....   | 6,645.48   |
| Kelemnick, Michael.....   | Clerical staff.....  | 3,593.16   |
| Marcus, Philip.....       | Associate counsel (as of Dec. 11, 1961).....                   | 878.50     |
| Meekins, Elizabeth G..... | Clerical staff.....  | 3,896.94   |
| Peet, Richard C.....      | Assistant counsel.....   | 6,381.90   |
| Rosenman, Louis.....      | Associate counsel (as of Dec. 19, 1961).....                   | 463.54     |
| Simms, Regina H.....      | Clerical staff.....  | 3,390.60   |
| Singman, Julian H.....    | Associate chief counsel—Anti-trust (through Oct. 9, 1961)..... | 4,234.99   |
| Sky, Theodore.....        | Assistant counsel.....   | 4,403.28   |
| Walden, Jerrold.....      | Associate counsel (through Sept. 19, 1961).....                | 3,340.86   |
| Williams, Stephen L.....  | Messenger.....   | 2,479.26   |
| Zelenko, Benjamin.....    | Assistant counsel (as of Dec. 4, 1961).....                    | 712.89     |

|   |  |              |
|---|--|--------------|
| Funds authorized or appropriated for committee expenditures.....    |  | \$200,000.00 |
| Amount of expenditures previously reported.....                     |  | 76,369.31    |
| Amount expended from July 1, 1961, through Dec. 31, 1961.....       |  | 79,260.67    |
| Total amount expended from Jan. 4, 1961, through Dec. 31, 1961..... |  | 155,629.98   |
| Balance unexpended as of Dec. 31, 1961.....                         |  | 44,370.02    |



SPECIAL SUBCOMMITTEE ON STATE TAXATION OF INTERSTATE COMMERCE—SALARIES PAID, JULY 1, 1961, THROUGH DEC. 31, 1961, PURSUANT TO H. RES. 201, 87TH CONG.

| Employee              | Position   | Salary     |
|-----------------------|--|------------|
| Ainsworth, Kenneth G. | Economist (as of Aug. 21, 1961).                       | \$3,611.62 |
| Bankster, Claude E.   | Counsel  | 5,503.80   |
| Breslow, Jerome W.    | Assistant counsel                                      | 3,596.54   |
| Dovel, Jewel B.       | Clerical staff (Sept. 11, 1961, through Nov. 4, 1961). | 834.91     |
| Greess, Constance     | Clerical staff   | 3,253.92   |
| Hall, Patricia J.     | do.  | 3,102.00   |
| Hammond, Martha G.    | Clerical staff (as of Nov. 15, 1961).                  | 792.73     |
| Louria, Margot        | Research assistant (as of Sept. 18, 1961).             | 2,003.93   |
| Meek, Joseph P.       | Economist (through Sept. 25, 1961).                    | 1,718.28   |
| Melville, Robert F.   | Senior economist                                       | 6,500.52   |
| Morss, Elliott B.     | Clerical staff (through Sept. 15, 1961).               | 1,083.65   |
| Partridge, Anthony    | Counsel  | 6,500.52   |
| Sutherland, David A.  | Counsel (as of Sept. 18, 1961).                        | 3,719.74   |
| Zeltman, Jerome M.    | Counsel  | 5,000.70   |

Funds authorized or appropriated for special subcommittee expenditures..... \$150,000.00

Amount of expenditures previously reported..... 7,380.44

Amount expended from July 1, 1961, through Dec. 31, 1961..... 51,150.98

Total amount expended from Mar. 15, 1961, through Dec. 31, 1961..... 58,531.42

Balance unexpended as of Dec. 31, 1961..... 91,468.58

EMANUEL CELLER,  
Chairman.

JANUARY 1, 1962.

#### COMMITTEE ON MERCHANT MARINE AND FISHERIES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee   | Profession        | Total gross salary during 6-month period |
|--------------------|-------------------|--|
| John M. Drewry     | Chief counsel     | \$8,824.74                               |
| Bernard J. Zincke  | Counsel           | 8,227.20                                 |
| Robert H. Cowen    | do.               | 2,941.58                                 |
| Ned P. Everett     | Assistant counsel | 5,025.30                                 |
| W. B. Winfield     | Chief clerk       | 7,612.08                                 |
| Frances P. Still   | Assistant clerk   | 5,030.16                                 |
| Ruth A. Brookshire | do.               | 3,998.22                                 |
| Edith W. Gordon    | Secretary         | 3,998.22                                 |
| Vera A. Barker     | do.               | 3,998.22                                 |
| E. M. Tollefson    | Minority clerk    | 4,808.28                                 |

Funds authorized or appropriated for committee expenditures..... \$75,000.00

Amount of expenditures previously reported..... 9,994.49

Amount expended from July 1 to Dec. 31, 1961..... 12,706.32

Total amount expended from Jan. 1 to Dec. 31, 1961..... 22,700.81

Balance unexpended as of Dec. 31, 1961..... \$2,299.19

HERBERT C. BONNER,  
Chairman.

JANUARY 10, 1962.

#### COMMITTEE ON POST OFFICE AND CIVIL SERVICE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946,

Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee   | Profession                | Total gross salary during 6-month period |
|--------------------|---------------------------|--|
| Charles E. Johnson | Staff director            | \$8,824.74                               |
| George M. Moore    | Counsel                   | 8,824.74                                 |
| B. Benton Bray     | Professional staff member | 8,139.36                                 |
| John H. Martiny    | do.                       | 7,910.64                                 |
| William A. Irvine  | Assistant clerk           | 7,414.38                                 |
| Lillian L. Hopkins | do.                       | 4,900.56                                 |
| John B. Price      | do.                       | 4,504.50                                 |
| Lucy K. Daley      | do.                       | 4,504.50                                 |
| Elsie K. Thornton  | Secretary                 | 3,998.22                                 |
| Blanche M. Simons  | do.                       | 3,643.80                                 |

Funds authorized or appropriated for committee expenditures..... \$100,000.00

Amount of expenditures previously reported..... 19,652.03

Amount expended from June 30 to Dec. 31, 1961..... 33,377.03

Total amount expended from Feb. 28 to Dec. 31, 1961..... 53,029.06

Balance unexpended as of Dec. 31, 1961..... 46,970.94

TOM MURRAY,  
Chairman.

JANUARY 15, 1962.

#### COMMITTEE ON PUBLIC WORKS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee        | Profession                                | Total gross salary during 6-month period |
|-------------------------|---|--|
| Standing committee:     |   |  |
| Margaret R. Belter      | Staff director                            | \$8,824.74                               |
| Richard J. Sullivan     | Chief counsel                             | 8,824.74                                 |
| Clifton W. Enfield      | Minority counsel                          | 8,504.04                                 |
| Joseph R. Brennan       | Engineer-consultant                       | 8,824.74                                 |
| Stephen V. Feeley       | Subcommittee clerk                        | 6,294.00                                 |
| Helen M. Dooley         | Staff assistant                           | 7,172.76                                 |
| Helen A. Thompson       | do.                                       | 5,854.62                                 |
| Dorothy A. Beam         | do.                                       | 5,204.16                                 |
| S. Philip Cohen         | do.                                       | 4,504.50                                 |
| Ester M. Saunders       | Clerk-messenger                           | 3,056.46                                 |
| Investigating staff:    |   |  |
| Durward G. Evans        | Subcommittee clerk                        | 4,909.56                                 |
| John A. O'Connor, Jr.   | do.                                       | 4,909.56                                 |
| William B. Short, Jr.   | do.                                       | 4,909.56                                 |
| Peter M. Gentilini      | do.                                       | 5,397.48                                 |
| Agnes M. GaNun          | Staff assistant                           | 3,572.88                                 |
| Mary C. Porter          | Minority staff assistant                  | 4,403.28                                 |
| Murray S. Pashkoff      | Investigator                              | 4,003.26                                 |
| Flavil Q. Van Dyke, Jr. | Minority clerical assistant               | 3,289.38                                 |
| Sterlyn B. Carroll      | Clerk-messenger                           | 3,056.46                                 |
| Elizabeth Ann Bowen     | Staff assistant (appointed Oct. 1, 1961). | 1,252.29                                 |

Special Subcommittee on the Federal-Aid Highway Program:

|                      |                         |          |
|----------------------|-------------------------|----------|
| Walter R. May        | Chief counsel           | 8,824.74 |
| Robert E. Manuel     | Minority counsel        | 7,809.84 |
| John P. Constandy    | Assistant chief counsel | 8,003.16 |
| James J. Fitzpatrick | Associate counsel       | 6,998.96 |
| Robert A. McGilgott  | do.                     | 6,998.96 |

| Name of employee  | Profession                                    | Total gross salary during 6-month period |
|---|---|--|
| Special Subcommittee on the Federal-Aid Highway Program:—Con. |   |  |
| George M. Kopecky   | Chief investigator                            | \$7,612.08                               |
| George M. Martin  | Administrative assistant                      | 7,344.12                                 |
| Baron I. Shacklette   | Investigator (resigned Dec. 3, 1961).         | 5,947.42                                 |
| James P. Kelly  | Investigator                                  | 6,469.74                                 |
| John N. Dinsmore  | do.   | 6,601.56                                 |
| Sherman S. Willse   | do.   | 6,131.46                                 |
| Charles A. Gannon   | do.   | 6,500.52                                 |
| Kathryn M. Keeney   | Chief clerk                                   | 3,876.66                                 |
| Mildred E. Rupert   | Staff assistant                               | 3,491.88                                 |
| Jean N. Cameron   | Staff assistant (appointed July 24, 1961).    | 3,045.70                                 |
| Erla S. Youmans   | Minority staff assistant                      | 3,339.96                                 |
| Helen K. Blanks   | Staff assistant (resigned Aug. 11, 1961).     | 683.51                                   |
| Sara L. Vollett   | Clerical assistant                            | 3,000.78                                 |
| Clifton A. Woodrum  | Research assistant (resigned Sept. 15, 1961). | 950.75                                   |
| Salvatore J. D'Amico  | Associate counsel                             | 6,250.08                                 |
| Dolores K. Dougherty  | Staff assistant (appointed Oct. 23, 1961).    | 1,229.26                                 |
| Shirley R. Knighten   | File clerk (appointed Oct. 1, 1961).          | 1,176.33                                 |

Funds authorized or appropriated for committee expenditures..... \$950,000.00

Amount of expenditures previously reported..... 163,437.45

Amount expended from July 1 to Dec. 31, 1961..... 374,273.81

Total amount expended from Jan. 1 to Dec. 31, 1961..... 537,711.26

Balance unexpended as of Dec. 31, 1961..... 412,288.74

CHARLES A. BUCKLEY,  
Chairman.

JANUARY 15, 1962.

#### COMMITTEE ON PUBLIC WORKS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee  | Profession  | Total gross salary during 6-month period |
|-------------------|---|--|
| Ruth M. Heritage  | Chief clerk (appointed Sept. 8, 1961).              | \$4,116.74                               |
| Henry H. Krevor   | Chief counsel (appointed Oct. 1, 1961).             | 4,252.02                                 |
| Robert L. May     | Minority counsel (appointed Nov. 1, 1961).          | 2,730.68                                 |
| Dorothy S. Martin | Secretary (appointed Dec. 19, 1961).                | 266.88                                   |
| Meriam R. Buckley | Staff assistant (appointed Oct. 1, 1961).           | 1,340.88                                 |
| Kathleen W. Lynch | do.   | 1,543.41                                 |
| Jack Tait         | Administrative assistant (appointed Oct. 14, 1961). | 2,542.08                                 |

Funds authorized or appropriated for committee expenditures..... \$150,000.00

Amount of expenditures previously reported.....  
 Amount expended from July 1 to Dec. 31, 1961..... \$17,000.19  
 Total amount expended from July 1 to Dec. 31, 1961..... 17,000.19  
 Balance unexpended as of Dec. 31, 1961..... 132,999.81

CHARLES A. BUCKLEY,  
*Chairman.*

JANUARY 15, 1962.

#### COMMITTEE ON RULES

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee      | Profession                 | Total gross salary during 6-month period |
|-----------------------|----------------------------|--|
| T. M. Carruthers..... | Clerk, standing committee. | \$6,733.38                               |
| Mary S. Forrest.....  | Assistant clerk.....       | 4,605.78                                 |
| D. E. Lukens.....     | Minority clerk.....        | 4,650.78                                 |

HOWARD W. SMITH,  
*Chairman.*

JANUARY 12, 1962.

#### COMMITTEE ON SCIENCE AND ASTRONAUTICS

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee             | Profession   | Total gross salary during 6-month period |
|------------------------------|--|--|
| Standing committee:          |  |  |
| Charles F. Du-cander.....    | Executive director and chief counsel.              | \$8,824.74                               |
| Charles S. Sheldon II.....   | Technical director (to Sept. 5, 1961).             | 3,186.91                                 |
| Philip B. Yeager.....        | Special consultant.....                            | 8,824.74                                 |
| Spencer M. Beresford.....    | Special counsel.....                               | 8,824.74                                 |
| John A. Carstarphen, Jr..... | Chief clerk.....                                   | 8,293.14                                 |
| Emily Dodson.....            | Secretary.....                                     | 3,658.98                                 |
| Eva F. Lopez.....            | do.....  | 3,658.98                                 |
| Jane J. Zetty.....           | do.....  | 3,658.98                                 |
| Mary Ann Robert.....         | do.....  | 3,502.02                                 |
| Mary L. Myron.....           | do.....  | 3,253.92                                 |
| Investigations subcommittee: |  |  |
| Raymond Wilcove.....         | Staff consultant.....                              | 8,293.14                                 |
| C. Otis Finch.....           | Assistant clerk (to Nov. 30, 1961).                | 3,808.60                                 |
| Richard P. Hines.....        | Staff consultant.....                              | 7,163.94                                 |
| Frank R. Hammill, Jr.....    | Counsel.....                                       | 7,269.42                                 |
| Mary Ann Temple.....         | Secretary.....                                     | 3,253.92                                 |
| Eunice A. Walker.....        | Secretary (to Dec. 18, 1961).                      | 3,036.99                                 |
| Mabel McLaughlin.....        | Stenographer (to Sept. 15, 1961).                  | 1,026.90                                 |
| Joseph Felton.....           | Publications clerk.....                            | 3,248.82                                 |
| Denis Quigley.....           | Assistant publications clerk (from Dec. 15, 1961). | 169.06                                   |

Funds authorized or appropriated for committee expenditures..... \$300,000.00

Amount of expenditures previously reported..... \$45,602.94  
 Amount expended from July 1 to Dec. 31, 1961..... 52,622.23  
 Total amount expended from Feb. 28 to Dec. 31, 1961..... 98,315.17  
 Balance unexpended as of Dec. 31, 1961..... 201,684.83

GEORGE P. MILLER,  
*Chairman.*

JANUARY 10, 1962.

#### COMMITTEE ON UN-AMERICAN ACTIVITIES

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee               | Profession   | Total gross salary during 6-month period |
|--------------------------------|--|--|
| Standing committee:            |  |  |
| Donald T. Appell.....          | Investigator.....                                    | \$7,260.60                               |
| Juliette P. Joray.....         | Recording clerk.....                                 | 5,678.88                                 |
| Gwendolyn L. Lewis.....        | Administrative assistant.....                        | 5,971.80                                 |
| Thelma S. Michalowski.....     | Secretary to investigators (resigned Oct. 31, 1961). | 3,124.52                                 |
| Isabel B. Nagel.....           | Secretary to counsel.....                            | 3,896.94                                 |
| Rosella A. Purdy.....          | Secretary to director.....                           | 4,686.78                                 |
| Frank S. Tavenner, Jr.....     | Director.....  | 8,824.74                                 |
| Anne D. Turner.....            | Chief of reference section.....                      | 5,722.80                                 |
| Lorraine N. Veley.....         | Secretary to investigators.....                      | 3,694.44                                 |
| Vera L. Watts.....             | Secretary (transferred Dec. 1, 1961).                | 571.85                                   |
| William A. Wheeler.....        | Investigator.....                                    | 7,084.86                                 |
| Investigating committee:       |  |  |
| Sue Arbogast.....              | Clerk-typist (July 5 to Sept. 2, 1961).              | 688.91                                   |
| Beatrice P. Baldwin.....       | Clerk-typist.....                                    | 2,681.76                                 |
| John R. Benedict.....          | Research analyst (appointed Nov. 15, 1961).          | 1,126.13                                 |
| Gerard F. Burke.....           | Clerk-typist (appointed Sept. 25, 1961).             | 1,160.26                                 |
| Daniel Butler.....             | Clerk-typist.....                                    | 2,175.48                                 |
| Charlotte B. Carlson.....      | Research analyst.....                                | 2,888.80                                 |
| Regina Marie Crissy.....       | Clerk-typist (resigned Sept. 22, 1961).              | 991.05                                   |
| Kathleen Fritz.....            | File clerk.....                                      | 2,002.68                                 |
| Raymond T. Collins.....        | Investigator.....                                    | 5,010.84                                 |
| Annie Cunningham.....          | Information analyst.....                             | 3,719.70                                 |
| Rosalyn B. DuVal.....          | do.....  | 2,691.84                                 |
| Elizabeth L. Edinger.....      | Editor.....  | 3,694.44                                 |
| Emily R. Francis.....          | Information analyst.....                             | 2,479.26                                 |
| Helen M. Gittings.....         | Research analyst.....                                | 4,605.78                                 |
| Robert Henry Goldsborough..... | Investigator (resigned Aug. 15, 1961).               | 809.69                                   |
| Sally Gorrindo.....            | Clerk-typist (July 1 to Sept. 26, 1961).             | 1,039.40                                 |
| Betty A. Gredecky.....         | Clerk-stenographer.....                              | 2,479.26                                 |
| Kathleen L. Hagenbuch.....     | do.....  | 3,863.20                                 |
| Katherine R. Holton.....       | Research clerk (appointed Sept. 5, 1961).            | 1,614.06                                 |
| Walter B. Huber.....           | Consultant.....                                      | 7,172.76                                 |
| Maura Patricia Kelly.....      | Research analyst.....                                | 2,965.32                                 |
| Oliver M. King.....            | Editor.....  | 4,453.86                                 |
| Evelyn M. Kocis.....           | Clerk-stenographer.....                              | 2,752.68                                 |
| Charlotte R. Lewis.....        | Legal research clerk (appointed Sept. 5, 1961).      | 2,096.96                                 |
| Carolyn McGiffert.....         | Clerk-typist (June 26 to Sept. 8, 1961).             | 882.28                                   |
| Francis J. McNamara.....       | Research director.....                               | 7,143.44                                 |
| William Margetich.....         | Investigator.....                                    | 3,562.80                                 |
| Vincent J. Messina.....        | Research analyst.....                                | 2,377.98                                 |
| David Muffley, Jr.....         | Clerk-typist.....                                    | 2,251.44                                 |
| Jane S. Muller.....            | Information analyst.....                             | 2,702.04                                 |
| Alfred M. Nittle.....          | Counsel.....   | 7,001.40                                 |
| Maureen Ontrich.....           | Information analyst.....                             | 3,026.10                                 |
| Alma T. Pfaff.....             | Research clerk.....                                  | 2,479.26                                 |
| Katharine Phillips.....        | Switchboard operator.....                            | 2,555.22                                 |
| Josephine S. Randolph.....     | Research clerk.....                                  | 2,884.32                                 |

| Name of employee                  | Profession                               | Total gross salary during 6-month period |
|-----------------------------------|--|--|
| Investigating committee—Continued |  |  |
| Barbara E. Rettew.....            | Editor (resigned Aug. 31, 1961).         | \$1,062.70                               |
| Louis J. Russell.....             | Investigator.....                        | 5,854.62                                 |
| Olga Seastrom.....                | Clerk-typist (resigned Sept. 1, 1961).   | 737.25                                   |
| Lela Mae Stiles.....              | Information analyst.....                 | 3,026.10                                 |
| Doris P. Shaw.....                | do.....                                  | 2,702.04                                 |
| Beverly E. Terry.....             | Clerk-typist (July 1 to Sept. 26, 1961). | 1,039.40                                 |
| Geraldine Unangst.....            | Clerk-typist.....                        | 2,175.48                                 |
| Mary Myers Valente.....           | Secretary.....                           | 3,315.25                                 |
| John C. Walsh.....                | Counsel.....                             | 5,378.16                                 |
| Vera L. Watts.....                | Secretary (transferred Dec. 1, 1961).    | 2,599.25                                 |
| Neil E. Wetterman.....            | Investigator.....                        | 4,403.28                                 |
| Billie Wheeler.....               | Clerk-stenographer.....                  | 1,984.26                                 |
| Regina M. Wilt.....               | Clerk-typist.....                        | 2,175.48                                 |
| John A. Yohe.....                 | Staff member.....                        | 5,015.64                                 |

Funds authorized or appropriated for committee expenditures..... \$331,000.00

Amount of expenditures previously reported..... 123,256.64

Amount expended from July 1, 1961, to Jan. 1, 1962..... 199,470.83

Total amount expended from Jan. 4, 1961, to Jan. 1, 1962..... 322,727.47

Balance unexpended as of Jan. 1, 1962..... 8,272.53

FRANCIS E. WALTER,  
*Chairman.*

JANUARY 9, 1962.

#### COMMITTEE ON VETERANS' AFFAIRS

##### To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee         | Profession                            | Total gross salary during 6-month period |
|--------------------------|---------------------------------------|--|
| Full committee:          |                                       |  |
| Oliver E. Meadows.....   | Staff director (P).....               | \$8,824.74                               |
| Edwin B. Patterson.....  | Counsel (P).....                      | 8,824.74                                 |
| Jack Z. Anderson.....    | Professional aid to minority (P)..... | 8,824.74                                 |
| J. Buford Jenkins.....   | Professional aid (P).....             | 4,063.88                                 |
| George W. Fisher.....    | Clerk (C).....                        | 8,824.74                                 |
| Paul K. Jones.....       | Assistant clerk (C).....              | 6,294.00                                 |
| Helen A. Biondi.....     | do.....                               | 5,160.66                                 |
| George J. Turner.....    | do.....                               | 4,302.00                                 |
| Alice V. Matthews.....   | Clerk-stenographer (C).....           | 4,302.00                                 |
| Joanne Doyle.....        | do.....                               | 3,496.98                                 |
| Helen J. Peterson.....   | do.....                               | 657.87                                   |
| Investigative staff:     |                                       |  |
| Adin M. Downer.....      | Staff member.....                     | 6,720.18                                 |
| Mark L. Davis.....       | Clerk-stenographer.....               | 725.16                                   |
| William F. Ikard.....    | Clerk-messenger.....                  | 543.87                                   |
| Wilma Jean Johnson.....  | Clerk-stenographer.....               | 3,496.98                                 |
| William T. McDonald..... | Clerk-typist.....                     | 898.35                                   |
| John Billie Smith.....   | Investigator.....                     | 5,397.48                                 |
| Kay N. Small.....        | Clerk-stenographer.....               | 2,539.98                                 |

Funds authorized or appropriated for committee expenditures..... \$150,000.00

Amount of expenditures previously reported..... 16,918.32

Amount expended from July 1 to Dec. 31, 1961..... 31,228.96

Total amount expended from Jan. 3 to Dec. 31, 1961..... 48,147.28

Balance unexpended as of Dec. 31, 1961..... 101,852.72

OLIN E. TEAGUE,  
*Chairman.*



JANUARY 3, 1962.

## COMMITTEE ON WAYS AND MEANS

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee           | Profession                                   | Total gross salary during 6-month period |
|----------------------------|--|--|
| Full committee:            |  |  |
| Leo H. Irwin.....          | Chief counsel (C)....                        | \$8,824.74                               |
| John M. Martin, Jr.....    | Assistant chief counsel (P).....             | 8,666.58                                 |
| Thomas A. Martin.....      | Minority counsel (P).....                    | 8,824.74                                 |
| Gerard M. Brannon.....     | Professional assistant (P).....              | 8,666.58                                 |
| Raymond F. Conkling.....   | do.....                                      | 7,928.46                                 |
| Alfred R. McCauley.....    | do.....                                      | 7,787.82                                 |
| William E. Wells.....      | Attorney (P) (to Oct. 31, 1961).....         | 2,500.08                                 |
| Virginia Baker.....        | Staff assistant (C) (to Aug. 31, 1961).....  | 1,425.56                                 |
| Virginia Butler.....       | Staff assistant (C).....                     | 4,383.00                                 |
| Frances E. Donovan.....    | do.....                                      | 4,276.68                                 |
| Grace Kagan.....           | do.....                                      | 4,383.00                                 |
| June Kendall.....          | do.....                                      | 4,453.86                                 |
| Margaretta G. Pestell..... | Staff assistant (C) (to Sept. 30, 1961)..... | 1,687.71                                 |
| Elizabeth L. Ruth.....     | Staff assistant (C).....                     | 4,150.08                                 |
| Eileen Sonnett.....        | do.....                                      | 3,289.38                                 |
| Susan Taylor.....          | do.....                                      | 5,300.82                                 |
| Irene Wade.....            | do.....                                      | 4,383.00                                 |
| Hughlon Greene.....        | Document clerk.....                          | 2,894.40                                 |
| Walter Little.....         | do.....                                      | 2,894.40                                 |

Funds authorized or appropriated for committee expenditures..... \$25,000.00

Amount of expenditures previously reported..... 844.38

Amount expended from July 1, 1961 to Dec. 31, 1961..... 1,866.30

Total amount expended from Jan. 1, 1961, to Dec. 31, 1961..... 2,710.68

Balance unexpended as of Dec. 31, 1961..... 22,289.32

WILBUR D. MILLS,  
Chairman.

JANUARY 1, 1962.

## SELECT COMMITTEE ON SMALL BUSINESS

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1961, to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee            | Profession                                | Total gross salary during 6-month period |
|-----------------------------|---|--|
| Charles S. Beller.....      | Assistant counsel.....                    | \$6,667.48                               |
| Katherine C. Blackburn..... | Research analyst.....                     | 4,048.86                                 |
| O. B. Briggs.....           | Administrative assistant to chairman..... | 6,083.33                                 |
| Dorothy F. Councill.....    | Secretary-stenographer.....               | 1,341.18                                 |
| Frances F. Crane.....       | do.....                                   | 1,653.73                                 |
| Victor P. Dalmas.....       | Adviser to minority members.....          | 8,051.46                                 |

| Name of employee                | Profession                                 | Total gross salary during 6-month period |
|---------------------------------|--|--|
| Miriam M. DeHaas.....           | Secretary-stenographer.....                | \$1,300.34                               |
| Dean W. Dittmer.....            | Research analyst.....                      | 2,001.34                                 |
| Jean W. Fender.....             | Administrative assistant.....              | 3,807.50                                 |
| Justinus Gould.....             | Counsel.....                               | 7,612.08                                 |
| Helen C. Hitz.....              | Secretary-stenographer.....                | 1,250.33                                 |
| Bessie C. Harding.....          | do.....                                    | 1,224.72                                 |
| Harrison F. Houghton.....       | Chief economist.....                       | 7,872.54                                 |
| Adele E. Jaworowski.....        | Secretary-stenographer.....                | 449.06                                   |
| Gertrude W. Jonson.....         | do.....                                    | 3,119.53                                 |
| Sylvia U. Keel.....             | do.....                                    | 732.69                                   |
| Carolyn A. Latimer.....         | Research analyst.....                      | 674.81                                   |
| Barbara W. McConnell.....       | Secretary-stenographer.....                | 3,593.16                                 |
| Alfonso Everette MacIntyre..... | General counsel.....                       | 4,134.06                                 |
| Margaret Fallon Palmer.....     | Research analyst.....                      | 3,584.94                                 |
| Audrey Irene Redwine.....       | Secretary-stenographer.....                | 1,988.51                                 |
| J. Brooks A. Robertson.....     | Staff director.....                        | 8,044.90                                 |
| Joseph A. Seeley.....           | Assistant counsel.....                     | 3,008.71                                 |
| Baron I. Shacklette.....        | Consultant.....                            | 1,049.54                                 |
| J. Allan Sherier.....           | General counsel.....                       | 8,754.48                                 |
| Lois B. Shupe.....              | Secretary-stenographer.....                | 3,750.12                                 |
| Audrey Smith.....               | do.....                                    | 3,374.05                                 |
| Vern L. Stephens.....           | Assistant adviser to minority members..... | 1,729.13                                 |
| Marie M. Stewart.....           | Clerk.....                                 | 4,418.46                                 |
| Carole Miriam Xander.....       | Secretary-stenographer.....                | 2,470.72                                 |

Funds authorized or appropriated for committee expenditures..... \$580,000.00

Amount of expenditures previously reported..... 107,128.63

Amount expended from July 1 to December 31, 1961..... 131,659.93

Total amount expended from Jan. 4 to Dec. 31, 1961..... 238,788.56

Balance unexpended as of Dec. 31, 1961..... 341,211.44

WRIGHT PATMAN,  
Chairman.

JANUARY 8, 1962.

## SELECT COMMITTEE ON EXPORT CONTROL

## To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the period from September 7 to December 31, 1961, inclusive, together with total funds authorized or appropriated and expended by it:

| Name of employee          | Profession              | Total gross salary during 6-month period |
|---------------------------|-------------------------|--|
| Fred Hallford.....        | Staff director.....     | \$3,100.00                               |
| James J. Ryan.....        | Staff investigator..... | 2,650.00                                 |
| Albert C. Hayden, Jr..... | do.....                 | 2,650.00                                 |
| Joseph A. Gwyer.....      | Consultant.....         | 2,000.00                                 |
| Blanche R. Plant.....     | Stenographer-clerk..... | 1,695.30                                 |

Funds authorized or appropriated for committee expenditures..... \$40,000.00

Amount of expenditures previously reported..... None

Amount expended from Sept. 7 to Dec. 31, 1961..... \$14,549.07

Total amount expended from Sept. 7 to Dec. 31, 1961..... 14,549.07

Balance unexpended as of Dec. 31, 1961..... 25,450.93

A. PAUL KITCHIN,  
Chairman.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1582. A letter from the Clerk, U.S. House of Representatives, transmitting a report for the period July 1, 1960, to June 30, 1961, as prepared by the Committee on House Administration pursuant to the provisions of House Resolution 476, 87th Congress, pursuant to paragraph 102, of title 2 of the Code of Laws of the United States; to the Committee on House Administration.

1583. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Export-Import Bank of Washington for the fiscal year ended June 30, 1961 (H. Doc. No. 308); to the Committee on Government Operations and ordered to be printed.

1584. A letter from the Governor, Farm Credit Administration, transmitting a draft of a proposed bill entitled "A bill to amend section 6 of the Agricultural Marketing Act, as amended, to reduce the revolving fund available for subscriptions to the capital stock of the banks for cooperatives"; to the Committee on Agriculture.

1585. A letter from the Director, Selective Service System, transmitting the Eleventh Annual Report of the Director of the Selective Service System for the fiscal year ending June 30, 1961, pursuant to the Universal Military Training and Service Act, as amended; to the Committee on Armed Services.

1586. A letter from the Assistant Secretary of Defense (Installations and Logistics) transmitting the July-November 1961 report on Army, Navy, and Air Force prime contract awards to small and other business firms, pursuant to the Small Business Act, as amended; to the Committee on Banking and Currency.

1587. A letter from the Chairman, National Labor Relations Board, transmitting a report containing certain information relating to the National Labor Relations Board for the fiscal year ending June 30, 1961, pursuant to the Labor Management Relations Act of 1947; to the Committee on Education and Labor.

1588. A letter from the Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to amend the Federal Property and Administrative Services Act of 1949, to make title III thereof directly applicable to procurement of property and nonpersonal services by executive agencies, and for other purposes"; to the Committee on Government Operations.

1589. A letter from the Governor of the Canal Zone President, Panama Canal Company, transmitting a report of the disposal of foreign excess property by the Panama Canal Company and Canal Zone Government for the year ended December 31, 1961, pursuant to the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

1590. A letter from the Assistant Attorney General, transmitting a report of the administrative tort claims paid by the Department of Justice during the 1961 fiscal year, pursuant to 28 United States Code 2673; to the Committee on the Judiciary.

1591. A letter from the Chairman, the Renegotiation Board, transmitting a draft of a proposed bill entitled "A bill to extend the Renegotiation Act of 1951"; to the Committee on Ways and Means.

1592. A letter from the Assistant Secretary of the Interior, transmitting determinations relating to the 1962 construction payment due the United States from the Belle Fourche Irrigation District, Belle Fourche

project, South Dakota, pursuant Public Law 86-308; to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BUCKLEY: Committee on Public Works. Fourth Civil Service Report on Disposition of Right-of-Way Improvements on Highway Projects in Florida (Rept. No. 1285). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEERMANN:

H.R. 9837. A bill to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Missouri River; to the Committee on Public Works.

By Mr. FINO:

H.R. 9838. A bill to amend the law relating to pay for postal employees; to the Committee on Post Office and Civil Service.

By Mr. GLENN:

H.R. 9839. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mrs. GRANAHAH:

H.R. 9840. A bill to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. KEE:

H.R. 9841. A bill to amend the Internal Revenue Code of 1954 to increase the depletion allowance for coal and lignite; to the Committee on Ways and Means.

By Mr. LANE:

H.R. 9842. A bill to amend section 612 of title 38, United States Code, to provide the same medical care benefits for World War I veterans as are provided for veterans of the Spanish-American War; to the Committee on Veterans Affairs.

By Mr. MONAGAN:

H.R. 9843. A bill to provide reimbursement to a member of the uniformed services for transportation of his civilian clothing and personal effects from his first duty station to his home; to the Committee on Armed Services.

H.R. 9844. A bill to waive temporarily section 142 of title 28, United States Code, with respect to the U.S. District Court for the District of Connecticut holding court at Bridgeport, Conn., and at Stamford, Conn.; to the Committee on the Judiciary.

By Mr. MULDER:

H.R. 9845. A bill to amend section 1613 of title 38, United States Code, to provide that periods spent on active duty pursuant to recall occurring after August 1, 1961, and before January 1, 1962, shall not be counted in determining the period within which certain education and training must be initiated or completed; to the Committee on Veterans Affairs.

By Mr. PATMAN:

H.R. 9846. A bill to provide assistance to business enterprises and individuals to facilitate adjustments made necessary by the trade policy of the United States; to the Committee on Ways and Means.

By Mr. ST. GERMAIN:

H.R. 9847. A bill to amend the Civil Service Retirement Act with respect to the retire-

ment of firefighting personnel under the Department of Defense, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SCHERER:

H.R. 9848. A bill to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works.

By Mr. SCHWENDEL:

H.R. 9849. A bill to extend and amend the conservation reserve program; to the Committee on Agriculture.

By Mr. SPRINGER:

H.R. 9850. A bill to provide for the appointment of an additional judge for the juvenile court of the District of Columbia and to lower the age of application of the Juvenile Court Act from 18 to 17 years of age; to the Committee on the District of Columbia.

By Mr. THORNBERRY:

H.R. 9851. A bill to authorize the transfer of certain surplus real property of the United States situated within Camp Swift, Bastrop, Tex., to the former owners thereof; to the Committee on Government Operations.

By Mr. BARRY:

H.R. 9852. A bill to amend title II of the Social Security Act to provide that the waiting period for disability insurance benefits may be waived in cases where the severity of the disability is immediately determinable; to the Committee on Ways and Means.

By Mr. FASCELL:

H.R. 9853. A bill to amend chapter 17 of title 18 of the United States Code, relating to the white slave traffic, in order to extend its provisions to males; to the Committee on the Judiciary.

By Mr. HEALEY:

H.R. 9854. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze with 15 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 9855. A bill to amend title II of the Social Security Act to provide minimum benefits under the Federal old-age, survivors, and disability insurance program for needy individuals who are 70 years of age or over and are not otherwise entitled to benefits under such title; to the Committee on Ways and Means.

By Mr. MILLS:

H.R. 9856. A bill to permit the exchange between farms of cotton acreage allotments for rice acreage allotments; to the Committee on Agriculture.

By Mr. O'NEILL:

H.R. 9857. A bill to amend section 4142 (relating to the definition of radio and television components) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H.R. 9858. A bill to permit the exchange between farms of cotton acreage allotments for rice acreage allotments; to the Committee on Agriculture.

By Mr. ASPINALL (by request):

H.R. 9859. A bill to provide that lands within the exterior boundaries of a national forest acquired under section 8 of the act of June 28, 1934, as amended (43 U.S.C. 315g), may be added to the national forest, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 9860. A bill to amend section 8 of the Taylor Grazing Act of June 28, 1934 (43 U.S.C. 315g); to the Committee on Interior and Insular Affairs.

By Mr. FORD:

H.R. 9861. A bill to amend title II of the Career Compensation Act of 1949 to provide alert pay for members of the Strategic Air

Command; to the Committee on Armed Services.

By Mr. FULTON:

H.R. 9862. A bill to amend the Civil Service Retirement Act, as amended, to provide annuities for surviving spouses without deduction from original annuities, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 9863. A bill to increase and equalize all rates of wartime disability compensation and to provide for payment of additional compensation to veterans with dependents when rated less than 50 percent in degree on the same basis as for those rated 50 percent or more in degree; to the Committee on Veterans Affairs.

By Mr. HARVEY of Michigan:

H.R. 9864. A bill to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. HIESTAND:

H.J. Res. 605. Joint resolution providing that the United States shall make no loans or grants to the United Nations until all members of the United Nations have paid in full their assessed share of the costs of the operations of the United Nations, including the expenses of operations in the Congo and the Gaza Strip; to the Committee on Foreign Affairs.

By Mr. HOLIFIELD:

H. Con. Res. 405. Concurrent resolution authorizing the printing of additional copies of hearings on civil defense for the Committee on Government Operations; to the Committee on House Administration.

By Mr. O'NEILL:

H. Con. Res. 406. Concurrent resolution expressing the sense of Congress in regard to United Nations Charter revision, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GLENN:

H. Res. 521. Resolution to amend clause 3 of rule XIII of the Rules of the House of Representatives to require that committee reports include an estimate of the cost of bills, as reported to the House; to the Committee on Rules.

By Mr. LANE:

H. Res. 522. Resolution creating a nonlegislative select committee to conduct an investigation and study of the aged and aging; to the Committee on Rules.

By Mr. MOORHEAD of Pennsylvania:

H. Res. 523. Resolution creating a nonlegislative select committee to conduct an investigation and study of the aged and aging; to the Committee on Rules.

By Mr. MULDER:

H. Res. 524. Resolution creating a nonlegislative select committee to conduct an investigation and study of the aged and aging; to the Committee on Rules.

## MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the Territory of Guam, memorializing the President and the Congress of the United States to enact legislation authorizing and empowering the appropriate department to reopen land condemnation cases, which was referred to the Committee on Interior and Insular Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. GRANAHAH:

H.R. 9865. A bill for the relief of Lili Li; to the Committee on the Judiciary.

By Mr. INOUE:

H.R. 9866. A bill for the relief of Fred R. Methered; to the Committee on the Judiciary.



H.R. 9867. A bill for the relief of Luisa G. Valdez; to the Committee on the Judiciary.  
H.R. 9868. A bill for the relief of Edward C. Valdez; to the Committee on the Judiciary.  
H.R. 9869. A bill for the relief of Billy Hing-Tsung Shim; to the Committee on the Judiciary.  
H.R. 9870. A bill for the relief of Jung Hi Park; to the Committee on the Judiciary.

By Mr. JOELSON:  
H.R. 9871. A bill for the relief of Maria Nessim Djeddah De Ades; to the Committee on the Judiciary.  
H.R. 9872. A bill for the relief of Hasan Ince; to the Committee on the Judiciary.  
H.R. 9873. A bill for the relief of Luba Siedlecki Simon; to the Committee on the Judiciary.

By Mrs. KELLY:  
H.R. 9874. A bill for the relief of Mrs. Hilda Eaves; to the Committee on the Judiciary.  
By Mr. LANE:  
H.R. 9875. A bill for the relief of Rosaria Gurciullo; to the Committee on the Judiciary.  
By Mr. MORRISON:  
H.R. 9876. A bill for the relief of Mary M. Kawas; to the Committee on the Judiciary.

## EXTENSIONS OF REMARKS

### In Commemoration of the 138th Anniversary of the Birth of Gen. Thomas Jonathan "Stonewall" Jackson, January 21, 1824

#### EXTENSION OF REMARKS OF

#### HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES  
Tuesday, January 23, 1962

Mr. RANDOLPH. Mr. President, Sunday was the 138th anniversary of the birth of one of America's most illustrious sons—Gen. Thomas Jonathan Jackson. History records him as General "Stonewall" Jackson.

He was born January 21, 1824, in the western region of Virginia in what is now the city of Clarksburg, W. Va. He was the son of Jonathan Jackson, of Clarksburg, and Julia Beckworth Neale. His great-grandfather, John Jackson, the first of the line in America, by birth a Scotch-Irishman, came to our country in 1748 and located in Maryland and later in the western part of Virginia.

General Jackson was graduated from West Point where he won the respect and confidence of his fellow cadets and it was said of him at that time:

"Old Jack will at some future day command an army."

The prediction was fulfilled and his name is honored and revered in every land where patriotic heroism is recognized.

I shall not enumerate the historical events associated with the era in which he lived nor recall his brilliant accomplishments on the battlefield which gained him world acclaim as one of America's greatest military geniuses.

But my heart prompts me to affirm the sincere esteem and admiration for his character which has inspired me since my youth.

General Jackson died May 10, 1863, at the age of 39. His life ended sadly and strangely as a result of wounds inflicted during the Battle of Chancellorsville by his own troops through an unaccountable and tragic mistake.

Perhaps it is of paradoxical importance to try to envision the role he might have assumed in West Virginia's early formative years, if his life had been spared. Man is prone to speculate on "what might have happened."

West Virginia was admitted to the Union as the 35th State on June 20, 1863, approximately 1 month after General Jackson's death.

Whatever part he might have performed in official life we know that his personal contribution would have included: unselfish dedication to the common good; a firm resolve and consciousness of duty; creed matched with deed, and underlining these qualities—invisible faith with absolute reliance in God. His own words were revelatory:

We must think of the living and those who are to come after us and see that by God's blessing, we transmit to them the freedom we have ourselves inherited.

It has been said of him:

Stonewall Jackson was a Christian of the highest type. With him, religion was not speech, nor doctrine, nor mystic faith, nor martyr sacrifice but, rather and gloriously, love supreme to God and service unselfish to man. His was a remarkable illustration of the power that results from the union of lofty human attributes and unfailing religious faith—the prowess of the soldier and the piety of the Christian . . .

And so it is with satisfaction that I join with many others in expressing sincere tribute to the memory of Stonewall Jackson. It is testimony to the measure of the man that both the sovereign States of Virginia and West Virginia claim him as a son.

History may do justice to him and his fame is, in degree, perpetuated in the National Hall of Fame where his tablet is inscribed with this maxim of his life:

You may be whatever you resolve to be. Never take counsel of your fears.

But there is a monument which bears his name indelibly—and that is found in the hearts of his countrymen.

### Results of a Questionnaire on the United Nations

#### EXTENSION OF REMARKS OF

#### HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES  
Tuesday, January 23, 1962

Mr. ROOSEVELT. Mr. Speaker, because of the extreme bitterness with which the United Nations has been attacked in recent weeks, in late December I conducted an "experiment" by mailing out within the 26th District of California 60,000 copies of a questionnaire on the U.N. Although in general I think very little of the value of such a poll, particularly those that require just a "yes" or "no" answer, no pretense was made that

this was done on a scientific basis or was any more on my part except a desire to get an idea of how my constituents feel about the United Nations.

An attempt was made to hit all areas of my district, with no particular differentiation between men and women voters, or between Democrats, Republicans, and nonpartisans. Further, my office was more completely equipped with precinct rosters for what might be termed "conservative" areas of the district, than for the so-called "liberal" areas, so there is little doubt that, percentage-wise, "conservatives" actually got more questionnaires than "liberals."

Of the 60,000 copies mailed, approximately 11 percent, or 6,600 envelopes, were returned as undeliverable. This presumably left 53,400 questionnaires actually delivered into voters' hands. Of these, 7,521, or approximately 14.1 percent, were returned, which direct-mail experts tell me is an extremely heavy return.

The questions asked and the percentage breakdowns of the replies are as follows:

|  | Yes  | No   |
|--|------|------|
| (1) Do you think that the United Nations offers the best hope of keeping peace in the world?.....  | 84.8 | 15.2 |
| (2) Do you think the United States should continue its membership in the U.N.?.....  | 88.8 | 11.2 |
| (3) Do you think that further strengthening of the U.N. would be apt to advance the cause of world peace?.....   | 87.6 | 12.4 |
| (4) Do you think that the foreign policy of the United States should concern itself with attempting to achieve agreement on total disarmament under conditions of rigid international inspection?.....   | 85.0 | 15.0 |
| (5) If you do, do you feel that such inspection, and the rules therefor, should be administered by a world court, backed up by an international armed force adequate to enforce the court's rulings?.....  | 87.2 | 12.8 |
| (6) If you have answered these questions affirmatively, or largely affirmatively, do you think that the United States should propose such a program to the U.N., and to the world, regardless of the present intransigent position of the U.S.S.R.?..... | 88.1 | 11.9 |

Vernon L. Talbert

#### EXTENSION OF REMARKS OF

#### HON. CLAIR ENGLE

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES  
Tuesday, January 23, 1962

Mr. ENGLE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a letter I